

**How Petraeus  
sharpened our  
armed forces**

BY JOE KLEIN

**The South's  
summer of  
drought**

**Why liberals  
are wrong  
about Obama**

BY FAREED ZAKARIA

**Does the  
GOP need  
Rick Perry?**

# TIME

## THE DECLINE AND FALL OF EUROPE

(AND MAYBE THE WEST)

BY RANA FOROOHAR



\* Illustration based on a Marcellus Shale well

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Photograph by Amy Weston—WENN

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Jane Fonda

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The Debt Deal's Failure

The Tea Party's Triumph

Struck in the Middle



**Credibility Questions**  
Fareed Zakaria's "The Debt Deal's Failure" rings true [Aug. 15]. I fear Congress has truly lost its ability to understand the situation of the average American.

Standard & Poor's decision to downgrade the U.S. credit rating for the first time in history—at a time when America's finances are so very fragile—speaks to this blindness and to our leaders' inability to work together. Our nation's debt did not get where it is overnight and cannot be fixed with one bill. I feel I am watching our nation crash and burn. Perhaps out of the ashes something new will come.

Dale Walling, SHAWNEE, KANS.

Zakaria did a great job of depicting the feelings Americans have about our dysfunctional government. Our federal government needs a group similar to the state financial-control board put in place during the administration of New York City Mayor Abe Beame: a body with final say that would come up with ideas to put this country on the right path.

Steven Riback, MONROE TOWNSHIP, N.J.

What isn't broken in our beloved America? Politics, Congress, community, trust, our economic system, compassion are all broken. It is disgraceful that the richest nation in the history of humankind winks at the wide, still growing economic gap between the haves and have-nots. "To whom much is given, much is required" needs to be a vital part of our national conscience.

Paul L. Whiteley Sr., LOUISVILLE, KY.

On your cover, George Washington's left eye should be the one blackened, since the punch came from the far right.

David Friedenberg, MANCHESTER, N.H.

The photographic evidence clearly shows that Washington was hit by a left winger, not the right-wing Tea Party.

The Rev. Richard Amy, ATLANTA

You should give more respect to the Republican Party in the House of Representatives. The American voters spoke loudly in 2010. Only timing kept the Senate in the hands of the Democratic Party.



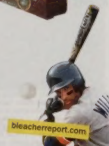
## THE CONVERSATION

### 'What country hasn't downgraded with the recession?'

asked reader Henry Jaworski on TIME's Facebook page, in response to Fareed Zakaria's cover story "The Debt Deal's Failure," which details the U.S.'s credibility problems in the wake of the debt debate. Such big-picture serenity did not comfort his fellow Facebookers, however. "You can blame Europe, but it doesn't change the facts," wrote one. Another implored, "President Obama, please don't blame others anymore and start a solution for a return to our AAA rating." It took wild horses to drag readers to noneconomic fare. TIME.com's most read story, "How a Billionaire's Wife Is Becoming the Mustangs' Messiah," chronicles the efforts of Madeleine Pickens (wife of T. Boone) to create a sanctuary for the abundant, free-roaming, often scorned animals. It generated 4,000 Likes on Facebook—and a fierce online debate on the merits of protecting mustangs.

## Up Next

On Aug. 16, TIME.com will unveil its list of the 50 best websites, so you'll know where to get the best tender nostalgia, travel deals and smart, fan-driven sports reviews





Today's Lesson:

# AUTO INSURANCE



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The reception of the bill to raise the debt ceiling and deal with the national financial crisis was lukewarm at best only because the Democrats don't get it.

Roger Sollie, FLOURTOWN, PA.

### Is It Teatime?

Re "The Tea Party's Triumph" [Aug. 15]: If it's true that, as Michael Crowley writes, "it is an article of faith in Tea Party circles that Washington and Wall Street are in bed together, colluding for power and profit at the expense of the little guy," it seems odd that all the Tea Party's resentment appears to be focused on one-half of that partnership: the federal government. As willing accomplices to people like Grover Norquist, Dick Army and the Koch brothers—hardly protectors of the little guy—Tea Partiers would deny resources to the government and give free rein to powerful private entities. Tea Partiers believe government has grown too big. But couldn't the same be said of the too-big-to-fail financial institutions that almost wrecked our economy (saved only by the federal government)? If the Tea Party were in charge, who or what would provide any checks on the most powerful special interests?

Frederic Cohen, HENDERSON, NEV.

Though Crowley documented the Tea Party's ignorance and willful disdain of facts, he neglected to document the movement's racism, as seen in its displays of President Obama as a witch doctor, complete with a bone through his nose. Members have also been known to carry arms to political meetings. This is not a party; it is a dangerous militia.

Mike W. Barr, AKRON, OHIO

I am not a Tea Party supporter, but I have thoroughly enjoyed watching its throw-the-bums-out success and how it has both parties and the media whining about everything it does. As for the cries about how Tea Party members have hijacked our wonderful lawmaking process, I have not heard anyone explain how just a few dozen of them managed to outvote the other 300-plus members of the House. If

### WEB WATCH

**Spidey Changes A TIME.com item on Marvel Comics' new, mixed-race Spider-Man sparked a debate on our website:**



Miles Morales, the Black Latino teenager filling a role long held by the dearly departed Peter Parker

I'm not happy about a new Spider-Man. It's not race-related. Peter Parker is Spidey; the new kid should be something original.

—Michael Grimm

Calm down, people. Some of you are obviously not comic fans. This story line takes place in a separate continuity. Marvel's Ultimate books are separate from the mainstream Marvel Universe. Parker is still swinging through New York City in Marvel's Amazing Spider-Man.

—Sick Boy

Diversity, shimmersity! I believe the race issue is sooo long overdue, it's not even really an issue anymore. Want diversity? Make Parker's successor a 6-ft. 8-in. transvestite.

—René Centeno

Honestly, any conflict that arises from this makes no sense! You can still find the original Spider-Man. This is simply a new chapter. How many freakin' Batman spin-offs have they come out with? Characters change all the time. Get over it, and expose yourself to something new.

—Lady Tsche-sama, Seshomaru#8

the Democrats and remaining Republicans had worked together, the Tea Party could not have had any influence on the debt talks. So who is to blame for the bill that everybody hates?

John Anthony, WILSON, N.C.

Your article misses the point of the Tea Party. It's very simple: Don't spend more than you earn. If you do, then pay it off as soon as possible.

John Mulligan, RICHMOND, VA.

TIME's cover blurb was "How the Tea Party Hijacked America." The article within was "The Tea Party's Triumph." There's an important difference between those headlines. I know you want your covers to attract attention. I think you went too far this time.

Joseph W. Koletar, BOLIVIA, N.C.

Did the Tea Party members of Congress take the same history class Michele Bachmann took? The Boston Tea Party

occurred because colonists opposed England's tea tax, which protected, in part, profit for the East India Co., then one of the world's largest companies. The colonists opposed the British government's support for corporate greed. By opposing a repeal of the Bush-era tax cuts for the wealthiest, today's Tea Party ignores history.

Howard K. Watkins, FRESNO, CALIF.

### A Party to the Problem

Rana Foroohar's "Struck in the Middle" made many fine points [Aug. 15]. But she failed to mention that the current fiscal crisis began with the housing melt-down. And that was caused primarily by banks' making silly loans to people who could not afford them. Why did banks do this? Because Democrats like Chuck Schumer, Barney Frank and Maxine Waters repeatedly urged them to help the poor get a house to own. Sometimes well-intentioned politicians do absurd things, and in this case the consequences were catastrophic for our entire nation.

Frank J. Russo, PORT WASHINGTON, N.Y.

The rationale for not making the wealthy pay a proportional share of the tax load has always been that it would hamper rich folks' ability to "trickle down" any excess to the peons. Have you noticed any floods of money trickling down lately? Both parties have worked to totally eliminate our middle class.

Jess Watson, SWARTZ CREEK, MICH.

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# Briefing

'They've shown a stunning lack of knowledge about basic U.S. fiscal budget math.'

1. **TIMOTHY GEITHNER**, U.S. Treasury Secretary, on Standard & Poor's downgrading of U.S. debt

**'He was born to do this job. If he could do it all over again and have a choice to have it happen the way it did or work at McDonald's and live to be 104? He'd do it all over again.'**

2. **JAN BROWN**, mother of Navy SEAL Kevin Houston, who was killed in a helicopter crash in Afghanistan alongside 29 other U.S. troops; it was the 10-year war's deadliest incident for the U.S.

'There is no excuse for thuggery.'

3. **THERESA MAY**, British Home Secretary, promising to prosecute London rioters

**'Syria should think wisely before it is too late ... and enact reforms that are not merely promises.'**

4. **KING ABDULLAH** of Saudi Arabia, admonishing the Syrian government for its deadly crackdown on protesters

'His agenda is not a political agenda. His agenda is a salvation agenda.'

5. **RICK PERRY**, Republican governor of Texas, speaking about his faith in God before more than 30,000 Evangelicals at a Houston rally

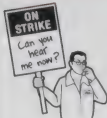


## 98

Age of a San Francisco woman who earned judo's highest black belt. She is only the fourth person now alive to hold the designation

## 45,000

Number of Verizon workers striking, over benefit decreases; 31% of Verizon's 195,000 employees are unionized



## 634.76

Number of points the Dow Jones industrial average fell on Aug. 8 after the U.S. debt downgrade; it was the largest one-day point drop since December 2008



## 661,509

Number of visitors to late fashion designer Alexander McQueen's Metropolitan Museum of Art exhibition; it is the eighth highest attendance in Met history

Briefing

# LightBox







**Paying respects**  
President Obama  
arrives at an Air Force  
base in Delaware to  
meet with the families  
of 30 service members  
killed in a helicopter  
crash in Afghanistan

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photos of the week,  
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# World

## Is Enough Enough?

**SYRIA** As tanks pounded away at restive cities across Syria, international pressure began to mount against the embattled regime of Bashar Assad. Activists claim his government has slain more than 1,700 civilians while cracking down on antigovernment protests that have raged over the past five months. Saudi Arabia denounced the violence and recalled its ambassador from Damascus. Other Gulf states followed the Saudi lead. Ahmet Davutoglu, the Turkish Foreign Minister, flew in for talks with Assad, urging a cessation of military operations. Another delegation of envoys from India, Brazil and South Africa landed in Damascus Aug. 10 to echo calls for a cease-fire. But judging from statements made in the official state media, the Assad regime looks unlikely to heed this diplomatic offensive. It continues to insist it is fighting Islamist "terrorist" elements seeking to topple the secular Baathist government that the Assad family has presided over for decades.



A suspected al-Shabab fighter stands blindfolded in Mogadishu

## All Guns and No Butter

**SOMALIA** In an offensive backed by African Union peacekeepers, troops fighting for the Transitional Federal Government—Somalia's fragile, internationally recognized ruling authority—wrested full control of the capital, Mogadishu, from al-Shabab, an al-Qaeda-affiliated militant group. Spokesmen for the Islamist faction claim their retreat was tactical, and Western observers expect them to launch reprisal attacks. Al-Shabab controls a large swath of southern Somalia, which is home to almost 3 million people facing the threat of starvation amid the worst drought in decades in the Horn of Africa. The volatile security situation has made distributing vital aid all the more difficult.



ON TIME.COM

'Despite being feted at home and abroad, doctors and friends say, many of the rescued Chilean miners are mired in their own troubles, psychological and financial.'

**TIM PADGETT**, TIME's Latin America bureau chief, on the continued struggle of the 33 miners famously trapped a year ago below the Atacama Desert

## World by the Numbers

**41,341%**

**U.K.** Increase in sales of a nightstick on Amazon.co.uk over the course of 24 hours on Aug. 9 as the London riots raged

**250**

**GERMANY** T-shirts, distributed at a far-right concert, whose nationalist slogans wash off to reveal a left-leaning message

**17**

**U.S.** Years the body of a missing scuba diver remained in Lake Tahoe before being recently discovered

**29,000**

**SOMALIA** Estimated number of children under the age of 5 who have died in the past three months because of famine

**7**

**SPAIN** Age of an Argentine soccer prodigy signed by Real Madrid; his first name, Leo, is the same as that of superstar Leo Messi, who plays for Real Madrid's archrival, Barcelona



## Hiroshima Remembers Its Nuclear Horrors

**JAPAN** Residents of Hiroshima floated paper lanterns down the Motoyasu River, commemorating the 66th anniversary of the devastating atomic bombings of that city and Nagasaki. Vigils this year carried a special poignancy: with the fallout from the disaster at the Fukushima nuclear plant still being measured, campaigners urged a shift toward renewable energy.

## Asia's Girl Power

**THAILAND**  
Yingluck Shinawatra was sworn in as the country's new Prime Minister Aug. 5, becoming its first female Premier. The 44-year-old is a political novice, having garnered much of her support from the populist legacy of her brother, Thaksin Shinawatra, a controversial ex-Prime Minister who lives in exile. For a region hardly known for equality between the sexes, Asia boasts a proud track record of female leadership. Shinawatra, though, is the latest in that line to win her position on the strength of family connections.

All these women in power had handy last names

1. YINGLUCK SHINAWATRA
2. BENAZIR BHUTTO, Pakistan
3. SIRIMAVO BANDARANAIKE, Sri Lanka
4. CORAZON AQUINO, Philippines
5. SHEIKH HASINA, Bangladesh
6. INDIRA GANDHI, India
7. MEGAWATI SUKARNOPUTRI, Indonesia



A protester backing Tymoshenko holds her photo at a rally in Kiev

## A Leading Lady Cast Out in the Cold

**UKRAINE** In 2004, Yulia Tymoshenko emerged as a leader of the so-called Orange Revolution, a stirring democratic awakening that led to her being elected Prime Minister. Now she's in prison, accused of abuse of power while in office in 2009. Supporters of Tymoshenko—once more an opposition leader—say the charges are trumped up and meant to neutralize her influence ahead of elections next year.

## Protests Rock the Holy Land

**ISRAEL** Hundreds of thousands of Israelis demonstrated against the country's high cost of living, lack of affordable housing and growing social inequality. Tent cities sprang up across the country in what's become the biggest domestic challenge to Prime Minister Benjamin Netanyahu's right-wing administration. Protest leaders called for a return to older left-leaning policies, including a stronger social safety net and increased investments in the country's infrastructure.

# Nation



## Back to School. Duncan rewrites education reform while Congress skips class

FROM MICHIGAN TO KANSAS to Tennessee, states have been begging for a reprieve from the tough grading in the 2002 No Child Left Behind law. On Aug. 8, Education Secretary Arne Duncan responded, announcing that states willing to adopt

Administration-backed reforms can apply for waivers from the law's central benchmarking standards and sanctions. In exchange for actions such as tackling achievement gaps, improving the lowest-performing schools and crafting "meaning

ful" teacher-evaluation systems, the Department of Education plans to waive the 2014 deadline for all students to be proficient in math and reading. Further details of the plan and applications for the waivers won't be out until mid-September, but at least five states have shown interest.

Duncan's revision is a challenge to Congress to move on revamping the law. A provision allows for the Secretary to waive a number of statutory requirements, but some critics have balked at this use of executive authority. Duncan says the Hill has been dithering and that the law has been "a slow-motion train wreck."

Says DOE press secretary Justin Hamilton: "We didn't invent this authority, and it's not the first time it's been used." It's unclear how the new deals will fare when Congress eventually gets around to updating the legislation.

### ENERGY

## Arctic Drilling

Disappointing environmentalists, the Obama Administration gave a conditional go-ahead on Aug. 4 to the Shell Oil Co.'s plans to drill in the Beaufort Sea north of Alaska. Mainland Alaska has been a major oil producer for decades, but no one has yet drilled in the Arctic waters—in part because a spill in the fragile north could be devastating. But the payoff might be great. There is as much as 27 billion barrels of oil in the Alaskan Arctic. For a White House struggling to be seen as pro-energy, the risk may be worth it.



### GOVERNOR SCOTT WALKER



INCUMBENTS UP FOR RECALL ON AUG. 9



ELECTION RESULTS



### WISCONSIN

## Split Recall Decision in Madison

In a fierce union-led recall election, Democrats ousted two GOP state senators Aug. 9 but fell one seat short of regaining control of the state senate. The recall effort came after Governor Scott Walker and the GOP-controlled legislature stripped some collective-bargaining rights from state workers, who vowed revenge. The campaign drew vast amounts of out-of-state funds, but as a proxy for the national austerity battle, it proved inconclusive.

### THE POLLS

## Obama Slips Again

President Obama's job-approval rating averaged below 50% in a majority of states during the first half of 2011, according to data collected by Gallup. Ratings didn't top 45% in key swing states like Indiana, Ohio and Nevada, which the Democrats turned from red to blue in 2008. This could signal trouble for the President's re-election effort.



Obama's ratings  
January-June 2011

■ ABOVE AVERAGE  
■ AVERAGE  
■ BELOW AVERAGE  
SOURCE: GALLUP

HOT NUMBER

# 88.9°

Oklahoma's average  
temperature in  
July—the highest for  
a state in U.S. history





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<sup>2</sup>We guarantee that we will credit interest for the life of the contract to amounts in the Interest Accumulation Account of our General Account at a rate at least equal to the greater of (1) any contractual minimum guarantee provided by the contract or (2) the minimum rate required by applicable state law or, if no state law minimum rate is applicable to a

contract, the guaranteed minimum credited interest rate will be set pursuant to National Association of Insurance Commissioners (NAIC) standard nonforfeiture law. The NAIC minimum rate is determined in accordance with a formula, and cannot be less than 1.00% or more than 3.00% in any event. We determine whether the application of the formula will change the minimum guaranteed rate each November, and any change is effective the following January 1 for that calendar year. The minimum rate for 2011 has been set at 1.00% in accordance with this formula. In addition, Mutual of America may credit interest to your contract amounts in the General Account at a higher rate that we declare from time to time and which may increase or decrease at our sole discretion, although we are not obligated to credit interest in excess of the minimum guaranteed rate. If you have an existing contract, you should refer to it before making a decision because it may have a guaranteed minimum rate in excess of the formula described above and the advertised declared rate. We compound interest daily on your contract amounts in the General Account to produce an effective annual yield that is equal to the stated interest rate. This guarantee is subject to Mutual of America's financial strength and claims-paying ability.

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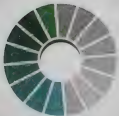
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# Economy

## Here's Looking at You. What you see in the mirror may be deciding your paycheck

Beauty's only skin deep, but that may be enough in the workplace. "Ugly people earn less than average-looking people, and average-looking people earn less than the beautiful," reports University of Texas economist Daniel Hamermesh in his new book, *Beauty Pays: Why Attractive People Are More Successful*. Studies indicate that a good-looking man or woman can expect to earn an average of \$230,000 more in a lifetime than a person who is plain or homely. Hamermesh doesn't analyze what makes people attractive, but studies show that people generally come to the same judgment on a 1-to-5 scale about who's pretty or handsome. So can you improve your odds if you're not Angelina or Brad? Alas, no, writes Hamermesh, who has been studying the topic for nearly 20 years: "We are basically stuck with what nature... has given us." If this sounds like discrimination, the author agrees, predicting that soon there could be affirmative action for the beauty benefit. And how does Hamermesh rank in all of this? "I'm a 3," he admits. —ANDREA SACHS

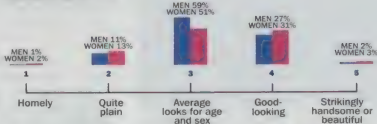
**Facing the facts.**  
From *Beauty Pays: Why Attractive People Are More Successful*

Difference in earnings between the typical good-looking worker and the below-average-looking worker:

OVER A LIFETIME

# \$230,000

PERCENTAGE DISTRIBUTION OF LOOKS IN THE U.S.



ACCORDING TO A RANKING OF 2,774 MEN AND WOMEN

AND WE AGREE ON WHO'S HOT AND WHO'S HOT:

**54%**  
PERCENTAGE OF PEOPLE RANKED WHO GOT THE SAME BEAUTY MARK FROM ALL SCORERS



**OFF-THE-CHARTS LOOKS:**  
George Clooney and Anne Hathaway



According to a Korean study, plastic surgery pays back **LESS THAN \$1** in salary for every \$1 spent on it

How much more do good-looking people earn?



How much does discrimination against the ugly cost the economy? The author estimates:

**\$20 BILLION**  
PER YEAR

**Q&A**  
**Professor Daniel Hamermesh Deconstructs Our Looks**

**Are good looks equally important for men and women?**

Everybody thinks beauty is a female thing. In fact, in terms of earnings, it's more a male thing.

**Is it more important than the rest of your résumé?**

No, certainly not. But this does matter, and I think people need to be aware of it.

**Should there be legal redress for ugly people?**

Logically, I don't view the disadvantage as any different than race or ethnicity. But we have limited energies

politically to protect people.

**Should unattractive people consider plastic surgery?**

No. Plastic surgery doesn't help that much. My advice? Suck it up, live with it, and take advantage of your good characteristics. This is only one of many things that matter.

# Health & Science

## Hot-Flash Flop. Data show that soy supplements don't ease menopause

By Sora Song

What is a menopausal woman to do? A new study finds that taking soy supplements, a popular alternative to hormone-replacement therapy, doesn't help relieve the symptoms of menopause or protect against bone loss.

For the trial, researchers randomly assigned 248 women to take either 200 mg of soy isoflavones or placebo tablets daily. Neither the researchers nor the women knew who was taking which pills until the end of the study.

The results: after two years, measurements of bone-mineral density in the women's hips and spines showed no differences between the soy and placebo groups. Across the board, the women had small amounts of bone loss.

As for the frequency of menopausal symptoms like hot flashes, night sweats, insomnia, loss of libido and vaginal dryness, again no difference. In fact, at the end of the study, more women taking soy reported having hot flashes than those taking a placebo.

So what other options do women have? For hot flashes, some antidepressants and the antiseizure drug gabapentin have been shown to help. And to prevent bone loss, women should still turn to calcium, vitamin D and regular exercise.



Good news for parents who want to know the sex of their baby: a noninvasive test of Mom's blood—which contains fetal DNA—can determine the baby's sex at as early as seven weeks' gestation, though it performs most accurately after 20 weeks, according to a new review of previous studies of the test.

That's useful not just for planning a baby's wardrobe; the blood test could also help doctors identify babies at risk for sex-linked disorders like hemophilia and obviate the need for invasive procedures like amniocentesis. —TARA THEAN

## FOOD SAFETY Hot Lunch?

In the first study of its kind, researchers found that most sack lunches taken to school by preschool children were stored at unsafe temperatures, potentially encouraging the growth of harmful bacteria that can cause food poisoning. Only about 45% of lunches containing perishable foods like sandwich meat, yogurt and vegetables included an ice pack, and even those items tended to be dangerously warm.



## CANCER

### Early-Morning Smoking Risk



Cigarette smokers already have a high risk of cancer, but early-morning smokers may be even worse off. Two new studies found that smokers who lit up within 30 minutes after waking were 79% more likely to develop lung cancer and 59% more likely to develop cancer of the head and neck than were smokers who waited at least an hour to have their first cigarette.

—MEREDITH MELNICK

## WORK-LIFE BALANCE

# 45%

Percentage of female scientists who said they had fewer kids than desired because of their careers; for male scientists, it was 25%.



# Milestones



## DIED

## Hugh Carey

It's hard today to remember how bad things were in New York in the mid 1970s. Governor Nelson A. Rockefeller had run up enormous debts, and New York City was borrowing money to cover daily expenses. The state's savior came in the form of a liberal Democratic Congressman from Brooklyn who announced upon winning the 1974 gubernatorial race, that "the days of wine and roses are over."

Hugh Carey, who died

Aug. 7 at 92, used every weapon in his arsenal, from loan restructuring to political strong arming, to get the city and state back to financial health. Where he lacked the tools, he invented them, creating the Municipal Assistance Corporation to secure money for the city and take it back from the brink mere hours before bankruptcy.

Carey was a large character. He married a widow, with whom he had 13 children; after

she died, he married a three-time divorcee. In the end, Carey considered the shuttering of the appalling Willowbrook State School, which housed thousands of mentally retarded children, to be his greatest accomplishment. But he was truly at his best when failure was unthinkable. "Hugh Carey on the petty issues can be very petty," his close strategist David Garth once said. "On the big stuff, he is terrific." —NATE RAWLINGS

## DIED

## Ray Anderson

There's no shortage of CEOs who will tell you—through their publicists—how green they are, even though it's often more image than reality. Ray Anderson was different. Founder of the carpetmaker Interface, Anderson had a road-to-Damascus moment in 1994 when he read *The Ecology of Commerce* by environmentalist Paul Hawken. He made his company truly sustainable, ensuring that it would take no more from the earth than it returned. Late in life, Anderson, who died Aug. 8 at 77, became an advocate for green business. "We have a choice to make during our brief visit to this beautiful blue and green living planet: to hurt it or help it," he said at the TED conference in 2009. "It's your call." Anderson made his. —BRYAN WALSH



## DIED

Rudolf Brazda, 98, the last known survivor among the thousands of gay men who were sent to Nazi concentration camps because of their sexual orientation.

## SELECTED

Philip Levine, by the Library of Congress as the next U.S. poet laureate; he is best known for poems about working-class Detroit

## DONATED

By the Kurt Vonnegut Memorial Library, 150 copies



of the author's World War II novel *Slaughterhouse-Five*, to students at Republic High School in Republic, Mo., after the local school board banned the book.

## CELEBRATED

The 20th anniversary of the first Web page, which physicist Tim Berners-Lee published at a CERN facility in the Swiss Alps in August 1991.

## FOUND

A dead, nearly 7-ft.-long (2.1 m) blue shark, in the woods of Milton, N.H.; the nearest body of salt water is about an hour's drive away.

## DIED

Bernadine Healy, 67, the first woman to lead the National Institutes of Health and the first physician to lead the American Red Cross.

# Fareed Zakaria



## The Pragmatic President

Liberals are bewildered by Barack Obama. Why they shouldn't be

**T**HE AIR IS THICK WITH LIBERAL disappointment. In the days after the debt deal, liberal politicians and commentators took to the airwaves and op-ed pages to mourn the agreement. But their ire was directed not at the Tea Party or even the Republicans but rather at Barack Obama, who they concluded had failed as a President because of his persistent tendency to compromise.

As the *New Republic's* Jonathan Chait brilliantly points out, this criticism stems from a liberal fantasy that if only the President would give a stirring speech, he would sweep the country along with the sheer power of his poetry. In this view, writes Chait, "every known impediment to the legislative process—special interest lobbying, the filibuster, macroeconomic conditions, not to mention certain settled beliefs of public opinion—are but tiny stick huts trembling in the face of the atomic bomb of the presidential speech."

**But the idea abides.** On Aug. 9, the MSNBC host Dylan Ratigan raged on TV that Obama should just give such a speech, overriding Congress and taking charge. But the most revealing moment came minutes after Ratigan's rant, when his panel of experts pressed him as to what specifically he would want Obama to do once he had usurped power. Ratigan's answer: allow corporations to repatriate their overseas profits (presumably by reducing or waiving corporate taxes on the money) to fund a national infrastructure bank. So the great liberal dream is that Obama propose something that he has already proposed and fund it by giving multinationals a tax break.

The disappointment over the debt deal is just the latest episode of liberal bewilderment about Obama. "I have no idea what Barack Obama... believes on virtually any

issue," Drew Westen writes in the *New York Times*, confused over Obama's tendency to take "balanced" positions. Westen hints that his professional experience—he is a psychologist—suggests deep, traumatic causes for Obama's disease. Let me offer a simpler explanation. Obama is a centrist and a pragmatist who understands that in a country divided over core issues, you cannot make the best enemy of the good.

Obama passed a large stimulus package within weeks of taking office. Perhaps it should have been bigger, but despite a

another few trillion dollars hoping that will jump-start the economy. Perhaps he believes that while banks need better regulations, America also needs a vibrant banking system, and that in a globalized economy, constraining American banks will only ensure that the world's largest global financial institutions will be British, German, Swiss and Chinese. He might understand that Larry Summers and Tim Geithner are smart people who, in long careers in public service, got some things wrong but also got many things right. Perhaps he understands that getting entitlement costs under control is in fact a crucial part of stabilizing our fiscal situation, and that you do need both tax increases and spending cuts—cuts that are smaller than they appear because they all start with the 2010 budget, which was

boosted by the stimulus. Is all this dangerous weakness, incoherence and appeasement, or is it common sense?



**My bet is that the American people will see it as the latter.** Obama's temperament was eloquently expressed by the late Bart Giamatti, a former president of Yale and former baseball commissioner, when he urged students not to fall prey to ideology from the right or left and to celebrate the

Democratic House and Senate, it passed by just one vote. He signed into law an unprecedented expansion of regulations in the financial-services industry, though one that did not break up the large banks. He enacted universal health care, through a complex program modeled after Mitt Romney's plan in Massachusetts. And he has advocated a balanced approach to deficit reduction that combines tax increases with spending cuts.

Maybe he believes in all these things. Maybe he understands that with a budget deficit of 10% of GDP, the second highest in the industrialized world, and a debt that will rise to almost 100% of GDP in a few years, we cannot cavalierly spend

democratic process that balances the two extremes. "My middle view is the view of the centrist," he said, before quoting law professor Alexander Bickel, "who would ... fix 'our eyes on that middle distance, where values are provisionally held, are tested, and evolve within the legal order derived ... from the morality of consent.' To set one's course by such a centrist view is to leave oneself open to the charges, hurled by the completely faithful of some extreme, of being relativistic, opportunistically flexible, secular, passive, passionless ... Be of good cheer ... To act according to an open and principled pragmatism, to believe in the power of process, is in fact to work for the good." ■



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## WITH EVERY AGE COMES RESPONSIBILITY. IMPORTANT SAFETY INFORMATION BELOW.

We know that no medicine is for everyone. Don't take VIAGRA if you take nitrates, often prescribed for chest pain, as this may cause a sudden unsafe drop in blood pressure.

Talk with your doctor first. Make sure your heart is healthy enough to have sex. If you have chest pain, nausea, or other discomforts during sex, seek medical help right away.

In the rare event of an erection lasting more than four hours, seek immediate medical help to avoid long-term injury.

In rare instances, men who take PDE5 inhibitors (oral erectile dysfunction medicines, including VIAGRA) reported a sudden decrease or loss of vision, or sudden decrease or loss of hearing. It is not possible to determine whether these events are related directly to these medicines or to other factors. If you experience any of these symptoms, stop taking PDE5 inhibitors, including VIAGRA, and call a doctor right away.

The most common side effects of VIAGRA are headache, facial flushing, and upset stomach. Less common are bluish or blurred vision, or being sensitive to light. These may occur for a brief time.

VIAGRA does not protect against sexually transmitted diseases including HIV.

Please see Important Facts for VIAGRA on the following page or visit [viagra.com](http://viagra.com) for full prescribing information.

<sup>\*</sup>Data taken from the *Massachusetts Male Aging Study*. Of 1,290 respondents, 52% stated that they had some degree of ED.

You are encouraged to report negative side effects of prescription drugs to the FDA. Visit [www.FDA.gov/medwatch](http://www.FDA.gov/medwatch) or call 1-800-FDA-1088.

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## IMPORTANT FACTS

**VIAGRA**  
(sildenafil citrate) tablets

(vi-AG-rah)

### IMPORTANT SAFETY INFORMATION ABOUT VIAGRA

Never take VIAGRA if you take any medicines with nitrates. This includes nitroglycerin. Your blood pressure could drop quickly. It could fall to an unsafe or life-threatening level.

### ABOUT ERECTILE DYSFUNCTION (ED)

Erectile dysfunction means a man cannot get or keep an erection. Health problems, injury, or side effects of drugs may cause ED. The cause may not be known.

### ABOUT VIAGRA

VIAGRA is used to treat ED in men. When you want to have sex, VIAGRA can help you get and keep an erection when you are sexually excited. You cannot get an erection just by taking the pill. Only your doctor can prescribe VIAGRA.

VIAGRA does not cure ED.

VIAGRA does not protect you or your partner from STDs (sexually transmitted diseases) or HIV. You will need to use a condom.

VIAGRA is not a hormone or an aphrodisiac.

### WHO IS VIAGRA FOR?

Who should take VIAGRA?

Men who have ED and whose heart is healthy enough for sex.

Who should NOT take VIAGRA?

- If you ever take medicines with nitrates:
  - Medicines that treat chest pain (angina), such as nitroglycerin or isosorbide mononitrate or dinitrate
- If you use some street drugs, such as "poppers" (amyl nitrate or nitrite)
- If you are allergic to anything in the VIAGRA tablet

### BEFORE YOU START VIAGRA

Tell your doctor if you have or ever had:

- Heart attack, abnormal heartbeats, or stroke
- Heart problems, such as heart failure, chest pain, or aortic valve narrowing
- Low or high blood pressure
- Severe vision loss
- An eye condition called retinitis pigmentosa
- Kidney or liver problems
- Blood problems, such as sickle cell anemia or leukemia
- A deformed penis, Peyronie's disease, or an erection that lasted more than 4 hours
- Stomach ulcers or any kind of bleeding problems

Tell your doctor about all your medicines. Include over-the-counter medicines, vitamins, and herbal products. Tell your doctor if you take or use:

- Medicines called alpha-blockers to treat high blood pressure or prostate problems. Your blood pressure could suddenly get too low. You could get dizzy or faint. Your doctor may start you on a lower dose of VIAGRA.
- Medicines called protease inhibitors for HIV. Your doctor may prescribe a 25 mg dose. Your doctor may limit VIAGRA to 25 mg in a 48-hour period.
- Other methods to cause erections. These include pills, injections, implants, or pumps.
- A medicine called REVATIO. VIAGRA should not be used with REVATIO as REVATIO contains sildenafil, the same medicine found in VIAGRA.

### POSSIBLE SIDE EFFECTS OF VIAGRA

Side effects are mostly mild to moderate. They usually go away after a few hours. Some of these are more likely to happen with higher doses.

The most common side effects are:

- Headache
- Feeling flushed
- Upset stomach

Less common side effects are:

- Trouble telling blue and green apart or seeing a blue tinge on things
- Eyes being more sensitive to light
- Blurred vision

Rarely, a small number of men taking VIAGRA have reported these serious events:

- Having an erection that lasts more than 4 hours. If the erection is not treated right away, long-term loss of potency could occur.
- Sudden decrease or loss of sight in one or both eyes. We do not know if these events are caused by VIAGRA and medicines like it or caused by other factors. They may be caused by conditions like high blood pressure or diabetes. If you have sudden vision changes, stop using VIAGRA and all medicines like it. Call your doctor right away.
- Sudden decrease or loss of hearing. We do not know if these events are caused by VIAGRA and medicines like it or caused by other factors. If you have sudden hearing changes, stop using VIAGRA and all medicines like it. Call your doctor right away.
- Heart attack, stroke, irregular heartbeats, and death. We do not know whether these events are caused by VIAGRA or caused by other factors. Most of these happened in men who already had heart problems.

If you have any of these problems, stop VIAGRA. Call your doctor right away.

### HOW TO TAKE VIAGRA

Do:

- Take VIAGRA only the way your doctor tells you. VIAGRA comes in 25 mg, 50 mg, and 100 mg tablets. Your doctor will tell you how much to take.
- If you are over 65 or have serious liver or kidney problems, your doctor may start you at the lowest dose (25 mg).
- Take VIAGRA about 1 hour before you want to have sex. VIAGRA starts to work in about 30 minutes when you are sexually excited. VIAGRA lasts up to 4 hours.

Don't:

- Do not take VIAGRA more than once a day.
- Do not take more VIAGRA than your doctor tells you. If you think you need more VIAGRA, talk with your doctor.
- Do not start or stop any other medicines before checking with your doctor.

### NEED MORE INFORMATION?

- This is only a summary of important information. Ask your doctor or pharmacist for complete product information OR
- Go to [www.viagra.com](http://www.viagra.com) or call (888) 4-VIAGRA (484-2472).

Uninsured? Need help paying for Pfizer medicine? Pfizer has programs that can help. Call 1-866-706-2400 or visit [www.PfizerHelpfulAnswers.com](http://www.PfizerHelpfulAnswers.com).



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helpful  
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# Joe Klein



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blog posts, go to  
[time.com/  
swampland](http://time.com/swampland)

## David Petraeus' Brilliant Career

The new CIA director leaves behind an Army that bears his stamp

**B**ACK IN JUNE 2006, I WROTE A column suggesting that counterinsurgency warfare was something that might work in Iraq, given that nothing else was. I even suggested that COIN—that dreadful, jingly acronym—was something Democrats might like, since it was an up-armored combination of community policing and social services. Almost immediately, I received a phone call from one David Petraeus, who said, “You’re on the right track, but you don’t know anything.” Petraeus told me that he was out at Fort Leavenworth, running the Army’s equivalent of a think tank and university. “You want to come out here and learn more?”

So I went. But before I left, a reading list—a rather long reading list—arrived. I read the least taxing stuff but soon learned that it wasn’t nearly enough: if you wanted to hang with Petraeus, you had to read it all. Indeed, the week I spent at Fort Leavenworth was the most rigorous intellectual experience of my career in journalism. Petraeus had surrounded himself with top-of-the-class West Point grads and Rhodes scholars. They were in the midst of a huge project: writing a counterinsurgency doctrine and changing the way American soldiers were trained to fight in the 21st century. They were open and generous with their time—I remember a long evening of Petraeus and Company fielding my rudimentary questions at a Mexican restaurant. (The general allowed himself one margarita.)

In a few weeks, David Petraeus will retire from the Army to take over the CIA. His achievements will be lauded, and debated, for as long as nations field armed forces. Already, a passionate debate has broken out in military circles about what, if anything, he accomplished in Iraq and

Afghanistan. The jury is still out on that, although his Iraq battle plan clearly quieted that country down, for a time, and allowed our troops to leave safely and with honor. In Afghanistan, the deaths of 38 U.S. and Afghan troops, including 22 Navy SEALs, in the Chinook helicopter shot down by the Taliban in Wardak province—just beyond the suburbs of Kabul—is a reminder of how tenuous progress has been.



In truth, the general’s most important legacy may lie in the role he has played in transforming the Army from a blunt instrument, designed to fight tank battles on the plains of Europe, into a “learning institution” that trains its troops for the flexibility and creativity necessary to fight guerrilla wars in the information age.

A few weeks ago, I visited Petraeus at his temporary home at Fort Myer, just across the Potomac from Washington, and the first thing he did was show me his favorite painting: a Frederic Remington called *The Stampede*. “This is not a nice, orderly cattle drive,” he said. “There’s all sorts of stuff going on. The cowboys are straining to keep up, to restore control.

And that’s the most important quality that our troopers need going into asymmetrical combat situations: they’ve got to be comfortable in the chaos.”

Petraeus told me about visiting the artillery school at Fort Sill, Okla., early in his tenure. “They had this remarkable simulator there,” he said, describing a video-game-like device that enabled artillery officers to respond to the sort of threats they might face in Iraq. They showed Petraeus a scenario in which American troops were trapped in a building by insurgents firing rocket-propelled grenades from several armed pickup trucks. In the scenario, the U.S. captain called in mortar fire, which destroyed the vehicles. “I said, ‘Wait a minute. We don’t shoot mortars in Baghdad. They’re too inaccurate.

By using this scenario, you’re putting our troops at terrible risk in the field.’” After his visit, the general told me, they shut down the school, quickly retooled the course and reopened with a curriculum that reflected the realities of war in Iraq.

Petraeus was acting on what he calls a “really big idea”: full-spectrum warfare, which added COIN to the mix of traditional offensive and defensive operations. At Fort Leavenworth, home to a required one-year graduate-school program for majors, Petraeus added courses in COIN and Islamic culture, plus a Pashtu or Arabic

language elective, to the traditional curriculum in strategy, tactics and logistics. “We did that throughout the Army,” Petraeus says. “Every soldier gets that now.”

**War is ghastly under the best of circumstances.** The so-called war on terror has been a dubious proposition from the start. But for those of us who have seen American forces operating in combat and counterinsurgency situations downrange, there is no doubt that this is a vastly different Army than it was 10 years ago—it’s smarter, sleeker, more flexible and creative. That force is David Petraeus’ greatest achievement, and the heart of his historic service to our country. ■



# THE END OF EUROPE

Its economic union is unraveling, London is ablaze, and the continent's once dependable trading partner the U.S. is too feeble to save the day or the euro. Say goodbye to the old order

BY RANA FOROOGHAR

Illustration by  
Sarah Illenberger  
for TIME

**B**ITAIN IS BURNING. STRANGE that it should be so. After all, the catastrophic economic news of recent days, including the highly controversial downgrading of U.S. debt by Standard & Poor's, the burgeoning euro crisis in continental Europe and the market turmoil that followed both, has been made in New York City, Brussels and Berlin, not in the streets of North London. But if you look closer, it all makes sense. Britain, like the U.S., has been a center of both great wealth creation and a widening wealth divide over the past 20 years, thanks to the rise and, more recently, fall of the markets and global economic growth.

Now the U.K. is sharing the suffering of the rest of Europe—namely, deep budget cuts that are hurting vulnerable populations the most. As youth programs, education subsidies and housing allowances are axed by a state desperate to get out from under crushing sovereign debt, it's clear why the poorest populations in the most economically unequal large European nation are taking to the streets.

The only surprising thing is that it didn't happen sooner. We've known since the beginning of the financial crisis and subsequent economic downturn that the world order was changing in profound ways. But we've tried to wish it all away with talk of temporary blips and cyclical recessions. We've come up with every possible excuse, from tsunamis to a lack of market certainty, to explain why rich-country economies aren't rebounding.

But the past two weeks of dismal economic news have made the new reality impossible to ignore: the West—and most immediately Europe—is in serious trouble. This is no blip but a crisis of the old order, a phrase once used by historian Arthur Schlesinger Jr. to describe the failures of capitalism in the 1920s. It is a crisis that is shaking not only markets, jobs and national growth prospects but an entire way of thinking about how the world works—in this case, the assumption that life gets better and opportunities richer for each successive generation in the West.

As bad as things might seem in the U.S., the smoldering center of the crisis is Europe. Volatile continental markets and angry demonstrations from Athens to Madrid are manifestations of the desperate scramble by European politicians to contain the euro-zone debt crisis that

**'Europe is about to blow. There is no longer any question of standing still or hoping the U.S. will kick-start the global economy. They are going to have to fix things at home.'**

—KENNETH ROGOFF, HARVARD UNIVERSITY

threatens to unravel the single currency and destabilize the region. The European Union and the euro zone were supposed to bring about economic stability and remove traditional barriers to growth, such as tariffs and regulations. Instead it's become a selfish union in which flailing economies feed rising nationalism, angst over immigration and simmering distrust between rich and less affluent countries. "Europe is at the center of the global financial problems," wrote Michael Hartnett, chief global equity strategist for Bank of America Merrill Lynch, in a recent note to investors. "Those problems have been exacerbated by the inability, or the unwillingness, of policymakers... to address the debt issues."

### Why the Euro Is Everyone's Problem

WHILE THE CRISIS MAY SEEM TO BE Europe's problem, if it results in a break-up of the euro zone or even a growth dampening series of costly bailouts, it will reverberate from Beijing to Boston and back. Europe is the largest trading partner of both the U.S. and China. It's home to one of the world's largest pools of wealthy consumers. If they stop buying our stuff, everyone suffers. Meanwhile, a dramatic depreciation of the euro or a dissolution of the union would make nations from Asia to Latin America that hold the euro as a reserve currency much weaker. Even the mere effort to contain the crisis with looser monetary policy on either side of the Atlantic creates a risk of inflation and hot money that could punish emerging markets, economists like Goldman Sachs' Jim O'Neill have warned.

The worries have now come to a head. Borrowing costs for Europe's weaker economies, like Greece, Ireland, Portugal, Spain

and Italy, have skyrocketed as halfhearted measures to stabilize markets have made investors suddenly wary that the European center is not going to hold and that richer countries like Germany simply aren't committed to the monetary union. That's why bond spreads are widening, European stocks are tanking and the European Central Bank is desperately trying to calm markets by buying up weaker countries' debt.

All this could have happened six months ago or three months ago or three months from now. But the crisis exploded in the past week because of the slow-growth news coming out of the U.S. As improbable as it sounds, "Europe's Plan A, B and C was to outgrow its debt problem via the normalization of the economic situation in the U.S.," says Harvard economist Kenneth Rogoff. "When they saw the U.S. growth numbers coming in so much weaker than they expected, it became clear that the world wasn't going to normalize. And they panicked."

While economists were betting on 4% growth in the U.S. earlier this year, numbers released in recent days show that the American economy grew a paltry 1.3% in the second quarter of this year, after a truly anemic first-quarter figure of 0.4%. With growth like that, we can't even save ourselves from 9%-plus unemployment at home, let alone save the world. The much feared 2% economy, now the consensus prediction for U.S. growth this year, has become a reality. We are no longer the economic counterweight to Europe. We are Europe.

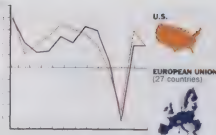
According to Rogoff, the pre-eminent seer of the crisis, who wrote the sovereign-debt history *This Time Is Different: Eight Centuries of Financial Follies* with economist Carmen Reinhart in 2009, Europe and the U.S. are not experiencing a typical recession or even a double-dip Great Recession. That problem can ultimately be corrected with the right mix of conventional policy tools like quantitative easing and massive bailouts. Rather, the West is going through something much more profound: a second Great Contraction of growth, the first being the period after the Great Depression. It is a slow- or no-growth waltz that plays out not over months but over many years. That's what happens after deep financial crises that require bailouts by beleaguered states, which are then left with few resources and tools to cope with a stagnant, high-unemployment environment rife with populist politics,

## WESTERN WOES

Instead of towing Europe out of crisis, the U.S. economy is replicating the continent's troubles

### Real GDP Growth Rate

Growth rate of GDP—percentage change over previous year



### Unemployment

U.S.

2000 2011  
**4.0%** **9.1%**

EUROPEAN UNION

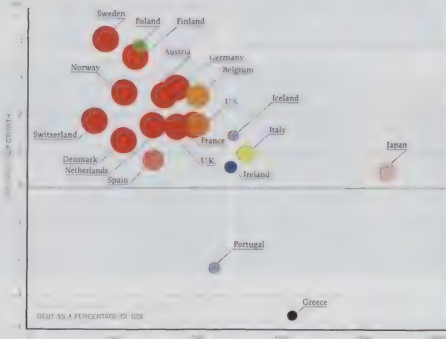
2000 2011  
**8.8%** **9.4%**

### Sovereign Ratings

Standard & Poor's



Sources: Eurostat; Blue Chip Economic Indicators; OECD; U.S. Bureau of Labor Statistics



Germany maintains a large export-oriented manufacturing sector that has made its economy among the most stable in the world during the downturn



France's citizens generally carry less debt than Americans do. The government has an aggressive plan to cut borrowing, but some say it will not meet its targets



Greece faces an extended recession. The government needs to make deeper cuts in spending, which will further slow the economy. Without help from the rest of Europe, Greece's skyline will be able to pay its debts

social instability and violence of the kind we've most likely only begun to see in the streets of Athens and London.

It's a very different era than the historically exceptional period of rapid global growth from 1991 to 2008, the period in which the European Union, the euro and the dream of greater European integration were born. The linchpin of this age of optimism was, of course, the U.S. It helped rebuild Europe after World War II and toppled its main ideological competitor, the Soviet Union. The dollar and U.S. government debt, backed by America's well-functioning democracy and strong growth prospects, remained the largest, most liquid and (seemingly) safest investments on the planet. It was in this environ-

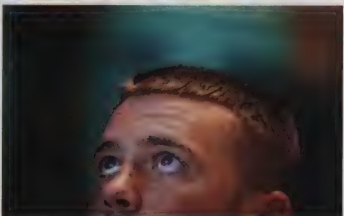
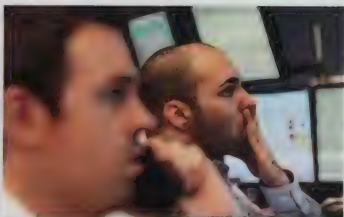
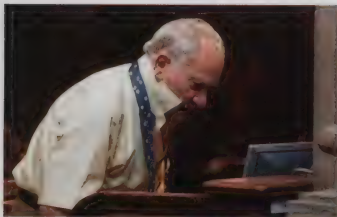
ment, in which all boats were rising, that the euro began to gain strength.

Needless to say, the global picture has changed. It is a measure not only of the long tail of America's special position in the global economy but also of just how bad things are in Europe and elsewhere that there hasn't been a rush out of U.S. Treasuries. Following the S&P downgrade, ascribed to our slower growth and debt-ceiling shenanigans, investors piled into Treasuries as the market tanked. China, the largest foreign holder of T-bills, issued a stern warning to the U.S. to "cure its addiction to debt." But central bankers from Beijing aren't breaking down doors in Frankfurt to convert their dollar holdings to euros. The euro is the only

viable alternative to the dollar as a global reserve currency. The British pound is history, and emerging-market currencies are still too small, volatile and controlled. And while plenty of investors are fleeing into gold, the world gold market isn't big enough to accommodate serious dollar diversification without massive inflation in gold itself. Prices are already at record levels.

It's unclear at this stage whether the euro will even survive the debt crisis that has engulfed Europe, one that is in many ways worse than the one we're experiencing in the U.S. On the surface, the picture doesn't seem so bleak. After all, the average euro zone deficit is only 6% of GDP, compared with 10.6% in the U.S., and





Europe's debt-to-GDP ratio, while similar to America's, isn't rising as fast. The difference is that the U.S. has time and favorable borrowing rates on its side; Europe has neither. Also, the U.S. can tackle its fiscal problems if it finds the will to rise above partisan politics; the politics of the E.U.—and in particular its lack of true political integration—makes it impossible for it to actually get to the root of the euro crisis.

That's because the euro zone is essentially a selfish union. Europeans want to benefit economically from their proximity to one another and want at all costs to avoid expensive and destructive wars—either trade or shooting—with their neighbors. Beyond that, many of their political, cultural and social agendas diverge. At each stage in the development of modern Europe, from the creation of the European Union to the introduction of the euro, it has always been difficult to get nations to agree to deeper political integration, which is hardly surprising given what a heterogeneous place Europe is. That's why in 2005 voters rejected a Eu-

ropean constitution that would have required member states to cede much more power to the E.U.

### The Casino Continent

THE RESULT IS A MONETARY UNION THAT can sometimes resemble a casino. The existence of a European Central Bank (ECB) means that countries like Greece, Belgium and Ireland are free to borrow from the credit window and take on more debt than they can handle. But the fact that there's no centralized political control or accountability means that more-prudent member countries like Germany have no way to stop weaker states from undermining the viability of their shared currency.

Of course, there's also no one to tell Germany that it shouldn't let its state-owned banks leverage themselves 50 to 1 on junk assets. The hypocrisy of it all is evidenced by the fact that nearly all the euro-zone countries have flouted the core economic rule that in theory limits annual budget deficits to 3% and debt-to-GDP ratios to 60% for all members. "We created the sta-

**Eyes of anxiety** Traders in New York City and Europe watch as the markets gyrate in response to the S&P downgrade and the euro debt crisis

bility pact as a set of rules for the euro. But it has become a pact of cheaters and liars," says Jean Arthuis, a centrist politician and head of the finance commission in the upper house of France's Parliament.

The euro zone's early doubters always believed that Greece or other weak nations would cheat on the deficit issue. The result now is a continent—and a common currency—that is shaky, requiring perhaps trillions in capital injections from France and Germany, first among others, into a rescue fund to prevent the euro's collapse.

Even in good times, it is never easy to balance the fiscal needs of a high-cost exporter like Germany with those of cheap and cheerful service economies like Greece, Spain and Portugal. In bad times, it's impossible. The poorer peripheral countries in Europe used to be able to devalue their individual currencies to maintain global competitiveness. Post-euro, with that quiver

removed, they have two choices. They can make painful structural reforms that are unpopular with voters, including cutting welfare programs, reforming tax collection, trimming pensions and increasing competitiveness by working harder and longer (starting with the politicians currently sunning themselves while the euro crumbles). Or they can borrow from the ECB and hope to grow their way out of trouble. It's obvious from the debt loads of European nations which road was chosen. "Europe is about to blow," says Rogoff. "There is no longer any question of standing still... They are going to have to fix things at home."

That's not so easy on a continent with a currency and a monetary system underpinned by multiple political systems, economies and fiscal priorities. Figuring out how to bail out the euro zone is a lot tougher than figuring out how to bail out the U.S. financial system, although throwing money at the problem is a certainty. For starters, there's no single institution or figure, like former Treasury Secretary Henry Paulson, that can marshal the troops and put together a TARP-style program for indebted nations. The head of the ECB, Jean-Claude Trichet, has been trying to play that role, buying up billions of euros' worth of shaky Italian and Spanish bonds. But even as the two most important leaders in Europe, German Chancellor Angela Merkel and French President Nicolas Sarkozy, have been patting him on the back for his efforts, they've also been reluctant to get serious about giving more money to the euro-zone rescue fund that was set up to deal with crises exactly like this one.

The message is clear: the two strongest nations in the euro zone don't yet have the stomach to commit to saving the common currency. The markets, which are ever loathe to uncertainty, have reacted badly because investors know the ECB's efforts are just a Band-Aid. The central bank simply doesn't have the firepower to stem the crisis.

## How to Bail Out Europe

THERE IS A WAY OUT. GERMANY, ONE OF THE strongest and most solvent economies not only in Europe but in the rich world, could swoop in and save the day by leading an effort to guarantee all Spanish and Italian debt as well as the debt of the major European banks. This would calm markets. But it would be hugely expensive, not to mention politically contentious. After all, why should prudent Germans—who have their

economic house in order—have to rescue a bunch of spendthrift, books-cooking Greeks and Italians? It's a tough sell politically, as evidenced by a June poll showing that 71% of Germans have little confidence in the euro, up from 46% in 2008.

The reality is, the Germans are in for pain no matter what. Euroskeptics like to argue that Europe might be better off economically without the common currency—the Germans would enjoy the privileges of a strong deutsche mark, and Greece could devalue the drachma enough that its hotels would be full of even more sunburned German tourists. But if the euro goes under, most experts believe there would be, as HSBC chief economist Stephen King put it, "unmitigated financial chaos." Skyrocketing borrowing costs for many of Europe's slow-growth, highly indebted countries would result in a recession or even a depression that wouldn't leave Germany unscathed. After all, about 40% of German exports stay in Europe. Meanwhile, competitors like Italy (which has a strong manufacturing sector) could nibble at Germany's economic edge by offering lower prices thanks to their highly devalued currency.

Bailing out Europe would represent a huge economic and political cost. Assuming it became politically acceptable, Germany would need to be able to make sure that Portugal, Italy, Greece and Spain—and any other European "PIGS"—cleaned up their act. And that, in turn, would require a real political union in Europe, one in which Brussels, the euro capital, and perhaps to a disproportionate extent Berlin had control of the purse strings and fiscal policies of the euro zone.

As difficult and politically improbable as it sounds, experts like Rogoff, as well as many politicians and economists in Europe, believe it will happen, and possibly quite soon. But that would be only the beginning of the hard work. Fixing the crisis

of the old order will require serious reforms of everything from Europe's sclerotic labor markets to its still vulnerable financial sector. (American banks, despite their troubles, are much better run and capitalized than European ones.) Most important, it will require painful and deeply unpopular austerity measures that could lead to more violence among populations already struggling to cope with the downturn.

Rioting of the kind we've seen in London and Athens is just one side effect of the new age of austerity. Populist politics is another. Just as the economic downturn in the U.S. helped fuel the Tea Party, Europe's debt crisis is fueling a resurgence of polarizing, right-wing politics embodied by figures like Marine Le Pen in France. Xenophobia and anti-immigrant sentiment are rife, a fact most dramatically illustrated by the mass shootings at a Norwegian youth camp in July. Even in mainstream politics, there's a sense that unity is impossible. Within the past few months, Sarkozy, Merkel and British Prime Minister David Cameron have all spoken about the end of the European dream of multiculturalism.

The turmoil is a portent for the U.S. We are ultimately facing the same problem as old Europe: how to grow amid a continuing downturn when the public sector can't or won't spend more to jump-start the economy. It's clear that we've still got a lot of work to do before that problem is solved.

In the meantime, both Europe and the U.S. will continue to struggle with the crisis of the old order. Populations will have to come to terms with no longer being able to afford the public services they want. Investors will have to cope with a world in which AAA assets aren't what they used to be. Businesses will deal with stagnating demand, and workers will face flat wages and high unemployment. All this will take place at a time that is in many ways the opposite of the optimistic two decades that preceded the financial crisis. Think the 1970s, without inflation (though there are those who think a whiff of inflation to wipe out debt might not be a bad idea). It's the end of an era in which the West and Western ideas of how to create prosperity succeeded. The crisis in Europe and the challenges yet to come on either side of the Atlantic take us into a whole new era. The rules and risks of it are only just becoming clear. —WITH REPORTING BY WILLIAM BOSTON/BERLIN, BRUCE CRUMLEY/PARIS AND MICHAEL SCHUMAN/HONG KONG ■

**The two strongest nations in the euro zone—Germany and France—don't yet have the stomach to commit to saving the common currency**

WORLD

# London's Long Burn

An outbreak of arson, looting and lawlessness caught Britain and its leaders by surprise. Why they should have seen the troubles coming

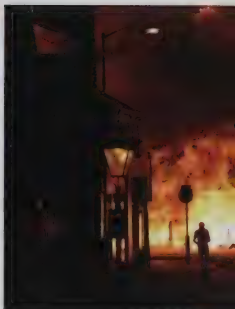
BY NATHAN THORNBURGH

Photograph by Peter Macdiarmid





**The battle for Britain**  
*A van burns in Hackney. What started as a protest over a police shooting set off spasms of violence throughout the U.K.*



**T**HE VENERABLE HOUSE OF Reeves furniture store has stood in Croydon, South London, since Queen Victoria was in her pomp. It came through two world wars unscathed. But on Aug. 8, it was smoldering, a symbol of the wantonness and waste of the London riots. Outrage over its destruction flickered everywhere, from the BBC to the broadsheets. The *Daily Mail* offered a tabloid's eulogy, with the headline **BLITZED. 140 YEARS OF BUSINESS GOES UP IN FLAMES.** Mayor Boris Johnson, after rushing back from his summer holiday, delivered a clipped statement in front of the ruins. "It's heartbreaking to see what good, local businesses like the Reeves family have suffered last night," he said. "It's just unbelievable."

Hundreds of stores across London, Manchester, Birmingham and other British cities were torched or ransacked in four nights of mayhem after the police killing of a north Londoner named Mark Duggan, whose death was quickly overshadowed by the wave of recreational violence. But the House of Reeves touched the rawest nerve because it wasn't just another electronics shop or minimart. Since 1867, its stock in trade has been the kind of stolid, not-too-expensive furniture suite—dune-colored sofa with matching armchair—that is a staple of cozy, convivial middle-class life in the U.K. The store was destroyed by people who don't value such inexpensive indulgences because even that way of life is out of their reach.

As Britain cleans up and carries on after the riots, the nation and the world are asking, What just happened? Prime Minister David Cameron, who cut short a

Tuscan holiday, had a quick answer on returning to England: "This is criminality, pure and simple." The tape—the hours of CCTV, cell-phone and news footage—would seem to back him up. The hooded arsonists, looters and brick heavers had little to say for themselves. They mocked store owners, laughed at the "feds" who stood in safe police lines down the block. In one quietly unbearable video clip, a passel of them helped a bleeding boy to his feet—only to steal from his backpack.

It seems to comfort the authorities to see the rioters as amoral outliers. "We want to make it absolutely clear: they have nothing to protest against," said one Manchester police official. But somewhere behind the seeming anarchy lie the very real discontents of modern Britain. Start with something called the Gini coefficient, a figure used by economists to indicate how equally (or unequally) in-

come is distributed across a population. In this traditional measure, Britain fares worse than almost every other developed country in the world. According to International Monetary Fund economists Michael Kumhof and Romain Rancière, nearly 30% of income in the U.K. in 2005 (the most recent year for which data exist) went to the top 5% of earners; in no other major European country is so much concentrated in the hands of so few. The Organisation for Economic Co-operation and Development says the U.K. has the worst social mobility of the developed nations: those born to a certain class tend to stay there.

There is one other developed country with a similarly large, immobile underclass: the U.S. The IMF statistics show that more than 33% of American income goes to the top 5% of earners. But unlike Americans, Britons feel a deep pessimism about their situation. A 2009 Sutton Trust survey found that less than 40% of respondents in the U.K. believed there were equal opportunities to get ahead in their country. (According to a 2011 Pew Economic Mobility Project poll, 68% of Americans say they have achieved or will achieve the American Dream.)

### Outcast and Outraged

THE LOOTING WAS NOT, AS SOME OBSERVERS too swiftly concluded, a race riot. Yes, Duggan was black, and there are strong correlations between race and class in Britain. But some of the worst violence happened in majority-white neighborhoods like Croydon. "This is much broader than race," says Caryl Phillips, a British writer with Afro-Caribbean roots. "This is about

### Have and Have-Not

The U.K. is one of the most unequal countries in Europe

The Gini coefficient measures inequality in national income distribution. The higher the number, the more unequal the distribution

<b>PORTUGAL</b>	0.36
<b>U.K.</b>	0.34
<b>ITALY</b>	0.34
<b>GREECE</b>	0.32
<b>SPAIN</b>	0.31
<b>GERMANY</b>	0.30
<b>NETHERLANDS</b>	0.29
<b>FRANCE</b>	0.29
<b>AUSTRIA</b>	0.26
<b>SWEDEN</b>	0.26

Source: provisional data from OECD income distribution and poverty database





#### Battered, burned, broken

From left: London police make an arrest; Croydon burns on the third day of rioting; a looter ransacks a shop in Hackney

a whole group—black, white and brown—who live just outside the law.”

Recent years have done little to bring that group into the fold. The unemployment rate for people ages 16 to 24 rose from 14% to 26% over the past three years alone; that's as bad as it has been in two decades and is comparable to joblessness in Arab nations that witnessed youth-led revolutions this year. And yet when the Cameron government looked to slash the budget in a down economy, the axe seemed to fall disproportionately on the very people who were hurting the most. The London boroughs of Hackney and Haringey (which includes Tottenham, where the riots started) were already classified as being among the worst “employment black spots” in London, with 25 applicants for every job, when they were scheduled for reductions of more than 10% in government spending, deeper cuts than in almost all other boroughs.

The few looters who stopped long enough to express a political opinion to journalists blamed Cameron for the conditions that led to the violence. That's a little facile: the Prime Minister has been in office just over a year, and his austerity cuts haven't yet been fully carried out. Besides, Britain's poorest did no better during boom times under Tony Blair and the Labour Party. But some of the disaffection with Cameron and his government has more to do with who they are than with what they've done. The Prime Minister was educated at Eton and Oxford, his deputy Nick Clegg at Westminster and Cambridge. The Cabinet represents the very oldest notions of a British elite, at a time when the U.K. is more diverse

than ever and more in debt than it's been in years. “I would define [the riots], in simplistic terms, as class warfare,” says Clifford Stott, a social psychologist at the University of Liverpool. “It's class war on the streets of Britain.”

#### Where Were the Bobbies?

THE RIOTS WERE ALSO, INEVITABLY, A failure of policing, which has run both too hot and too cold on the streets of London. Before their numbers increased, to 16,000, on Aug. 9, the police seemed barely in evidence in the capital. Shopkeepers reported getting phone calls from the police warning them to close up in advance of expected looting, but in too many instances, the police didn't show up to stop the violence they knew was brewing. Particularly in light of coming budget cuts that will result in job loss for 1 in 10 police officers—what one British newspaper called the “thinning blue line”—Britons feel undefended. Sales of nightsticks and baseball bats skyrocketed on Amazon UK; the white-supremacist English Defense League pledged to go out and keep the peace itself.

But there was a deeper failure before the riots started, one that undermines the very heart of English policing. Sir Robert Peel founded Scotland Yard in the 19th century with the revolutionary idea that “the police are the public and the public are the police.” Unlike their U.S. counterparts, British police are not routinely armed; Peel's idea was that trust and consent were far more important than the threat of force. That's the heritage that Stephen Kavanagh, deputy assistant commissioner of the London Metropolitan Police,

invoked during the riots when he said that his force was “not going to throw 180 years of policing with the community away” by escalating its coerciveness.

Two days later, Cameron approved the use of water hoses and rubber bullets after all. But in many districts in London, the police have long felt like a malevolent force. Paul Bagguley, who teaches sociology at the University of Leeds, points to a controversial crackdown on knife violence that led to minorities’ being stopped and searched by police some 310,000 times from 2008 to '09; according to statistics from the Ministry of Justice, the vast majority of those searches did not lead to an arrest. The riots stem in part from the desire for “getting one over on the police,” he says. Yes, there are organized criminal groups—including the so-called postcode gangs that fight and sometimes die defending their dismal territories—but only 6% of youth are involved, by the Centre for Social Justice's estimate. The broader disaffection with the police is what turned law abiders into lawbreakers and set the stage for the riots.

In front of the burned shell of his great-great-grandfather's store, Graham Reeves said it wasn't his job to be angry. “It's up to the governments of the land and the people that did this to look at themselves,” he told reporters. Unfortunately, they're likely to see two very different pictures. —REPORTED BY WILLIAM LEE ADAMS, NICK ASSINDER, SONIA VAN GILDER COOKE, CATHERINE MAYER AND THOMAS K. GROSE/LONDON ■

# The Lone Star Warrior

After 10 years as governor of Texas, Rick Perry is setting his eyes on the Republican nomination. Is he the candidate the Tea Party has been waiting for?

BY MARK HALPERIN/HOUSTON

AS 30,000 FAITHFUL TOOK REFUGE FROM triple-digit heat in the air-conditioned safety of Houston's massive Reliant Stadium on Aug. 6, Rick Perry was setting the place on fire. Mixing Bible passages with his own prayerful words, the Texas governor bowed his head, clasped his hands and paused to reflect, riding an almost visible wave of emotion in the crowd. "Father," Perry intoned from the makeshift pulpit, "our heart breaks for America. ... We have forgotten who made us, who protects us, who blesses us, and for that, we cry out for your forgiveness."

Perry planned his revival—with its day of prayer, fasting and Christian motivational music—more than a year ago, well before he began considering a run for President in 2012, he says, and long before the country seemed on the edge of

undergo mandatory sonograms, may not be the strongest candidate for a party that believes it's on the verge of a broad, economy-based comeback. Perry and his strategists have an ecumenical solution for this dilemma: ignore everything but the issue of the moment—and keep the focus on jobs. His main talking point: at least a third of all new American jobs in the past two years were created in Texas. As Perry privately told a group of potential donors recently, "If I get asked what time it is, I'm going to talk about jobs and the need for job creation and how we do it in Texas."

In this respect, at least, history is on his side. Republicans have put a Texan on their ticket in six of the eight presidential elections going back to 1980. Which means that Perry, simply by getting in, is shortening the odds of boosting that performance to seven of nine. "The key is, I've got a record," he says with characteristic swagger. "And that record, particularly when it comes to ... creat[ing] jobs for our citizens, I will put that up against anybody who's running and particularly against this President we have today, whose jobs record is abysmal."

## A Rebel with a Cause

IF RICK PERRY DID NOT EXIST, THE Tea Party probably would have invented him for this particular moment. The movement has been on a roll since it burst onto the scene two years ago, but its faithful has lacked a truly viable candidate in the 2012 sweepstakes. Romney has never stirred the Tea Party's drink; Michele Bachmann may lack staying power; Tim Pawlenty hasn't caught on; Jon Huntsman worked for the enemy.

By contrast, if Perry has a secret weapon, it is his appeal to the rainbow coalition that is now the Republican Party—from veterans to fiscal hawks, gun-rights advocates to religious conservatives, Constitution-waving libertarians to America-firsters. And unlike Romney,

Perry was present almost at the creation of the Tea Party, attending some of its founding events and singing its praises early on. During his 2010 campaign, Perry often looked past Austin to attack Washington instead, condemning the 2008 TARP bailout and dismissing the "country-club Republicans." While Romney is typically buttoned up, Perry does these riffs with a visceral passion that his Massachusetts rival never attains. Two years ago, Perry starkly condemned Obama's government with "This is an Administration hell-bent on taking America towards a socialist country."

"Rick Perry is going to be the superhero action figure for the Tea Party and social conservatives," says Republican strategist Mark McKinnon.

Also, Perry would become the only sitting governor in the race and has the executive credentials Bachmann lacks. In his 10 years as governor, he has virtually taken over the state's sprawling government, installing allies on every board and commission and pressing an aggressive legislative agenda of budget cuts, tort reform and limited regulation. It is this classic Republican formula that Perry hopes to transplant to Washington. "Government," he says, "needs to get out of the way." Which means that he aims to combine Romney's street cred as an executive with Bachmann's stripes as a rebel.

But lurking behind Perry's record of job creation are substantial caveats. Perry largely inherited from George W. Bush the state's business-friendly environment, with no income tax, an abundant energy supply and a steady influx of cheap labor. And the state is hardly a workers' paradise. Nationally, Texas ranks at the bottom in terms of health-insurance coverage; many of the jobs he has created are low-wage positions, and many of the jobs he has lured from other states have required public money and tax subsidies. Moreover, Perry has made

**'Rick Perry is going to be the superhero action figure for the Tea Party and social conservatives.'**

—MARK MCKINNON, REPUBLICAN STRATEGIST

a double-dip recession. But by the time Perry arrived to deliver his 12-minute sermon, his crusade had turned into something bigger and more complicated: a righteous rollout for one of the latest-starting presidential campaigns in recent history.

His turn at the altar points to both the potential and perhaps the limits of Perry's 11th-hour candidacy. On the one hand, his knack for channeling the Tea Party has already earned him second place in polls, behind the current GOP front runner, Mitt Romney. Yet many party pooh-bahs fret that a man who has openly mused about a Texas secession from the Union and whose social agenda would have women seeking abortions





fiscal missteps. He had to scramble to close a \$27 billion budget shortfall earlier this year. A superhighway he proposed was killed after howls of protests state-wide, and he created a public-private business development fund that has opened him up to charges of cronyism. Meanwhile, he has a record of sticking his nicely hand-tooled boot in his mouth. His most un-presidential remark came in 2009 at a Tea Party rally in Austin, when Perry was asked whether Texas might secede from the Union if Washington couldn't get its act together. "There's a lot of different scenarios," Perry said. "We've got a great Union. There's absolutely no reason to dissolve it. But if Washington continues to thumb their nose at the American people, you know, who knows what might come out of that?" An off-the-cuff remark, perhaps. But even a vague threat to break up the United States of America is a tricky—perhaps impossible—thing to explain away at a presidential debate.

#### Too Much like Someone Else?

PERRY IS A FIFTH-GENERATION TEXAN, which means his ancestors arrived about the same time Texas went from

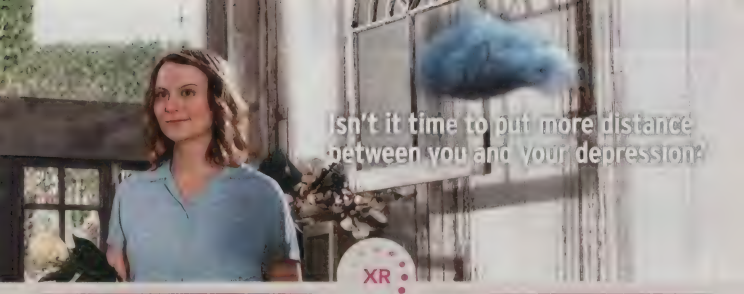
**Key voting bloc** *Perry will get his share of religious conservatives, who play a decisive role in such early contests as Iowa and South Carolina*

being an independent country to a state in 1845. With his prickly mistrust of East Coast elites, he still displays the marks of someone from the tiny West Texas crossroads of Paint Creek, where his parents worked long hours to make a living as cotton farmers. "For me," Perry says, "the essence of being a Texan is, these are people who can sustain through hard times but they're people who always think that better days are ahead."

Perry's entire career has been unconventional, propelled by a keen sense of timing and a prairie cyclone of good luck. After graduating from Texas A&M and flying C-130 cargo planes in the Air Force, he found his way into politics, becoming a fast-rising Democratic state legislator in 1985 and even chairing Al Gore's 1988 primary campaign in Texas. "I was 25 years old before I think I ever met a person who would admit to being a Republican," he says now. Like others of his generation, Perry switched parties just as Republicans solidified their

hold on the Lone Star State. In part with the help of a young strategist named Karl Rove, he defeated a popular incumbent to become Texas' agriculture commissioner, then ran for lieutenant governor in 1998.

After succeeding Bush as governor in 2001, Perry was sometimes teased as a lucky stiff who blundered into one of the best jobs in politics. But he then won two consecutive re-elections, including a 2010 primary fight in which he smacked back a challenge from the state's popular senior Senator, Kay Bailey Hutchison. Though he has been a more partisan governor than Bush, Perry is sure to remind many of the previous President—the stylized accent, the cocky self-assurance, the ever-present cowboy boots. Perry says that when he called Bush with birthday greetings in July, the former President told him, "You don't want to wake up when you're 70 and go, 'I wish I had tried that, I wish I had done that.'" Still, the relationship is a complicated one. While the two men maintain a public amity, bad blood runs between the Bush and Perry camps. Many of Bush's former advisers openly disdain Perry, in part because



Isn't it time to put more distance  
between you and your depression?

XR

If you've been on an antidepressant for at least six weeks but still feel depressed, talk to your doctor about adding Extended Release SEROQUEL XR. Extended Release means medicine is released throughout the day.

SEROQUEL XR is a once-daily tablet used to treat depression in adults when added to an antidepressant, when an antidepressant alone is not enough.

#### Important Safety Information About SEROQUEL XR

Elderly patients with dementia-related psychosis (having lost touch with reality due to confusion and memory loss) treated with this type of medicine are at an increased risk of death, compared to placebo (sugar pill). SEROQUEL XR is not approved for treating these patients.

Antidepressants have increased the risk of suicidal thoughts and actions in some children, teenagers, and young adults. Patients of all ages starting treatment should be watched closely for worsening of depression, suicidal thoughts or actions, unusual changes in behavior, agitation, and irritability. Patients, families, and caregivers should pay close attention to any changes, especially sudden changes, in mood, behaviors, thoughts, or feelings. This is very important when an antidepressant medicine is started or when the dose is changed. These symptoms should be reported immediately to the doctor. SEROQUEL XR is not approved for patients under the age of 18 years.

- Stop SEROQUEL XR and call your doctor right away if you have very high fever; stiff muscles; shaking; confusion; sweating; changes in pulse, heart rate, or blood pressure; or muscle pain and weakness, as these may be signs of a rare, but potentially fatal, side effect called neuroleptic malignant syndrome (NMS)
- If you have diabetes or risk factors such as obesity or a family history of diabetes, your doctor should check your blood sugar before you start taking SEROQUEL XR and also during therapy. If you develop symptoms of high blood sugar or diabetes, such as excessive thirst or hunger, increased urination, or weakness, contact your doctor. Complications from diabetes can be serious and even life threatening.
- Increases in triglycerides and in LDL (bad) cholesterol and decreases in HDL (good) cholesterol have been reported with SEROQUEL XR. Your doctor should check your cholesterol levels before you start SEROQUEL XR and during therapy.
- Weight gain has been reported with SEROQUEL XR. Your doctor should check your weight regularly.

- Tell your doctor about any movements you cannot control in your face, tongue, or other body parts, as they may be signs of a serious condition called tardive dyskinesia (TD). TD may not go away, even if you stop taking SEROQUEL XR. TD may also start after you stop taking SEROQUEL XR.
- Tell your doctor if you have a history of low white blood cell count or seizures. Your doctor should check for cataracts. Other risks include feeling dizzy or lightheaded upon standing, decreases in white blood cells (which can be fatal), drowsiness, impaired judgment, and trouble swallowing.
- Use caution before driving or operating machinery until you know that you can do so safely. Avoid alcohol while taking SEROQUEL XR.
- The most common side effects are drowsiness, dry mouth, constipation, dizziness, increased appetite, upset stomach, weight gain, fatigue, disturbance in speech and language, and stuffy nose.

This is not a complete summary of safety information about prescription SEROQUEL XR.

#### Please read the Brief Summary of Important Information about SEROQUEL XR on the next two pages.

You are encouraged to report negative side effects of prescription drugs to the FDA. Visit [www.fda.gov/medwatch](http://www.fda.gov/medwatch) or call 1-800-FDA-1088.

For more information, visit [SeroquelXR.com](http://SeroquelXR.com) or call 1-800-4-SEROQUELXR.

If you're without prescription coverage and can't afford your medication, AstraZeneca may be able to help. For more information, please visit [AstraZeneca-us.com](http://AstraZeneca-us.com).

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\*New patients with commercial insurance may be eligible to receive up to 30 tablets free. Subject to eligibility. Restrictions apply.

[SeroquelXR.com](http://SeroquelXR.com)

1-800-4-SEROQUELXR

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Once-daily  
**SEROQUEL XR**  
quetiapine fumarate  
extended-release tablets

AstraZeneca



## IMPORTANT INFORMATION ABOUT SEROQUEL XR (SER-oh-kwell)

Please read this summary carefully before you start taking SEROQUEL XR and each time you get a refill. There may be new information.

No advertisement can provide all the information needed to determine if a drug is right for you or take the place of careful discussions with your health care provider. Only your health care provider has the training to weigh the risks and benefits of a prescription drug.

### What is the most important information I should know about SEROQUEL XR?

Serious side effects may happen when you take SEROQUEL XR, including:

- **Risk of death in the elderly with dementia:** Medicines like SEROQUEL XR can raise the risk of death in elderly people who have lost touch with reality due to confusion and memory loss (dementia). SEROQUEL XR is not approved for treating psychosis in the elderly with dementia.
  - **Risk of suicidal thoughts or actions:** Antidepressant medicines, depression and other serious mental illnesses, and suicidal thoughts or actions:
    1. Antidepressant medicines may increase suicidal thoughts or actions in some children, teenagers, and young adults within the first few months of treatment.
    2. Depression and other serious mental illnesses are the most important causes of suicidal thoughts and actions. Some people may have a particularly high risk of having suicidal thoughts or actions. These include people who have (or have a family history of) depression, bipolar illness (also called manic-depressive illness), or suicidal thoughts or actions.
    3. How can I watch for and prevent suicidal thoughts and actions in myself or a family member?
      - Pay close attention to any changes, especially sudden changes, in mood, behaviors, thoughts, or feelings. This is very important when an antidepressant medicine is started or when the dose is changed.
      - Call the health care provider right away to report new or sudden changes in mood, behaviors, thoughts, or feelings.
      - Keep all follow-up visits with the health care provider as scheduled. Call the health care provider between visits as needed, especially if you have concerns about symptoms.
- Call a health care provider right away if you or your family member has any of the following symptoms, especially if they are new, worse, or worry you:**
- thoughts about suicide or dying
  - attempts to commit suicide
  - new or worse depression
  - new or worse anxiety
  - feeling very agitated or restless

- panic attacks
- trouble sleeping (insomnia)
- new or worse irritability
- acting aggressive, being angry, or violent
- acting on dangerous impulses
- an extreme increase in activity and talking (mania)
- other unusual changes in behavior or mood

### What else do I need to know about antidepressant medicines?

- **Never stop an antidepressant medicine without first talking to your health care provider.** Stopping an antidepressant medicine suddenly can cause other symptoms.
- **Antidepressants are medicines used to treat depression and other illnesses.** It is important to discuss all the risks of treating depression and also the risks of not treating it. Patients and their families or other caregivers should discuss all treatment choices with the health care provider, not just the use of antidepressants.
- **Antidepressant medicines have other side effects.** Talk to the health care provider about the side effects of the medicine prescribed for you or your family member.
- **Antidepressant medicines can interact with other medicines.** Know all of the medicines that you or your family member take. Keep a list of all medicines to show the health care provider. Do not start new medicines without first checking with your health care provider.
- **Not all antidepressant medicines prescribed for children are FDA approved for use in children.** Talk to your child's health care provider for more information.

### What is SEROQUEL XR?

SEROQUEL XR is a prescription medicine used to treat major depressive disorder as add-on treatment with antidepressant medicines when your doctor determines that one antidepressant alone is not enough to treat your depression.

SEROQUEL XR is not approved for patients under 18 years of age.

### What are the symptoms of major depressive disorder (MDD)?

- Feeling of sadness, emptiness, and increased tearfulness
- Loss of interest in activities that you once enjoyed and loss of energy
- Problems focusing and making decisions
- Feeling of worthlessness or guilt
- Changes in sleep or eating patterns
- Thoughts of death or suicide
- MDD symptoms last most of the day, nearly every day for at least two weeks, and interfere with daily life at home and at work

### What should I tell my health care provider before taking SEROQUEL XR?

- Before taking SEROQUEL XR, tell your health care provider if you have or have had:
- diabetes or high blood sugar in you or your family; your health care provider should check your blood sugar before you start SEROQUEL XR and also during therapy
  - high levels of total cholesterol, triglycerides or LDL-cholesterol or low levels of HDL-cholesterol
  - low or high blood pressure
  - low white blood cell count
  - cataracts
  - seizures
  - abnormal thyroid tests
  - high prolactin levels
  - heart problems
  - liver problems
  - any other medical condition
  - pregnancy or plans to become pregnant. It is not known if SEROQUEL XR will harm your unborn baby
  - breast-feeding or plans to breast-feed. SEROQUEL XR can pass into your breast milk. You and your health care provider should decide if you will take SEROQUEL XR or breast-feed. You should not do both.

**Tell the health care provider about all the medicines that you take or recently have taken** including prescription medicines, nonprescription medicines, herbal supplements and vitamins.

SEROQUEL XR and other medicines may affect each other causing serious side effects. SEROQUEL XR may affect the way other medicines work, and other medicines may affect how SEROQUEL XR works. Especially tell your health care provider if you take or plan to take medicines for:

- depression
- Parkinson's disease
- abnormal heart beats or rhythm
- high blood pressure
- trouble sleeping

Also tell your health care provider if you take or plan to take any of these medicines:

- phenytoin, divalproex or carbamazepine (for epilepsy)
- barbiturates (to help you sleep)
- rifampin (for tuberculosis)
- glucocorticoids (steroids for inflammation)
- thioridazine (an antipsychotic)
- ketoconazole, fluconazole or itraconazole (for fungal infections)
- erythromycin (an antibiotic)
- protease inhibitors (for HIV)

This is not a complete list of medicines that can affect or be affected by SEROQUEL XR. Your doctor can tell you if it is safe to take SEROQUEL XR with your other medicines. Do not start or stop any medicines while taking SEROQUEL XR without talking to your health care provider first. Know the medicines you take. Keep a list of your medicines to show your health care provider and pharmacist when you get a new medicine.

Tell your health care provider if you are having a urine drug screen because SEROQUEL XR may affect your test results. Tell those giving the test that you are taking SEROQUEL XR.

For more information about SEROQUEL XR, visit [www.SEROQUELXR.com](http://www.SEROQUELXR.com) or call 1-800-236-9933.

**SEROQUEL XR®**  
quetiapine fumarate  
extended-release tablets  
50, 150, 200, 300 & 400 mg

AstraZeneca

## How should I take SEROQUEL XR?

- Take SEROQUEL XR exactly as your health care provider tells you to take it. Do not change the dose yourself.
- Take SEROQUEL XR by mouth, with a light meal or without food.
- SEROQUEL XR should be swallowed whole and not split, chewed or crushed.
- If you feel you need to stop SEROQUEL XR, talk with your health care provider first.

If you suddenly stop taking SEROQUEL XR, you may experience side effects such as trouble sleeping or trouble staying asleep (insomnia), nausea, and vomiting.

- If you miss a dose, take it as soon as you remember. Just take the next dose at your regular time. Do not take 2 doses at the same time unless your health care provider tells you to. If you are not sure about your dosing, call your health care provider.
- If you take too much SEROQUEL XR, call your health care provider or poison control center at 1-800-222-1222 right away or go to the nearest hospital emergency room.

## What should I avoid while taking SEROQUEL XR?

Do not drive, operate machinery, or do other dangerous activities until you know how SEROQUEL XR affects you. SEROQUEL XR may make you drowsy.

- Avoid getting overheated or dehydrated.
  - Do not over-exercise.
  - In hot weather, stay inside in a cool place if possible.
  - Stay out of the sun. Do not wear too much or heavy clothing.
  - Drink plenty of water.
- Do not drink alcohol while taking SEROQUEL XR. It may make some side effects of SEROQUEL XR worse.

## What are possible side effects of SEROQUEL XR?

Also see "What is the most important information I should know about SEROQUEL XR?" at the beginning of this document.

Serious side effects have been reported with SEROQUEL XR including:

- Neuroleptic malignant syndrome (NMS):** Tell your health care provider right away if you have some or all of the following symptoms: high fever, stiff muscles, confusion, sweating, changes in pulse, heart rate, and blood pressure. These may be symptoms of a rare and serious condition that can lead to death. Stop SEROQUEL XR and call your health care provider right away.

- High blood sugar (hyperglycemia):** Increases in blood sugar can happen in some people who take SEROQUEL XR. Extremely high blood sugar can lead to coma or death. If you have diabetes or risk factors for diabetes (such as being overweight or a family history of diabetes) your health care provider should check your blood sugar before you start SEROQUEL XR and during therapy. Call your health care provider if you have any of these symptoms of high blood sugar while taking SEROQUEL XR:
  - feel very thirsty
  - need to urinate more than usual
  - feel very hungry
  - feel weak or tired
  - feel sick to your stomach
  - feel confused, or your breath smells fruity
- High cholesterol and triglyceride levels in the blood (fat in the blood):** Increases in total cholesterol, triglycerides and LDL (bad) cholesterol and decreases in HDL (good) cholesterol have been reported in clinical trials with SEROQUEL XR. You may not have any symptoms, so your health care provider should do blood tests to check your cholesterol and triglyceride levels before you start taking SEROQUEL XR and during therapy.
- Increase in weight (weight gain):** Weight gain has been seen in patients who take SEROQUEL XR so you and your health care provider should check your weight regularly.
- Tardive dyskinesia:** Tell your health care provider about any movements you cannot control in your face, tongue, or other body parts. These may be signs of a serious condition. Tardive dyskinesia may not go away, even if you stop taking SEROQUEL XR. Tardive dyskinesia may also start after you stop taking SEROQUEL XR.
- Orthostatic hypotension (decreased blood pressure):** lightheadedness or fainting caused by a sudden change in heart rate and blood pressure when rising too quickly from a sitting or lying position.
- Increases in blood pressure:** reported in children and teenagers. Your health care provider should check blood pressure in children and adolescents before starting SEROQUEL XR and during therapy. SEROQUEL XR is not approved for patients under 18 years of age.
- Low white blood cell count**
- Cataracts**
- Seizures**
- Abnormal thyroid tests:** Your health care provider may do blood tests to check your thyroid hormone level.
- Increases in prolactin levels:** Your health care provider may do blood tests to check your prolactin levels.
- Increases in liver enzymes:** Your health care provider may do blood tests to check your liver enzyme levels.
- Long lasting and painful erection**
- Difficulty swallowing**

## Common possible side effects with SEROQUEL XR include:

- drowsiness
- dry mouth
- constipation
- dizziness
- increased appetite
- upset stomach
- weight gain
- fatigue
- disturbance in speech and language
- stuffy nose

These are not all the possible side effects of SEROQUEL XR. For more information, ask your health care provider or pharmacist.

Call your health care provider for medical advice about side effects. You may report side effects to FDA at 1-800-FDA-1088.

## How should I store SEROQUEL XR?

- Store SEROQUEL XR at room temperature, between 59°F to 86°F (15°C to 30°C).
- Keep SEROQUEL XR and all medicines out of the reach of children.

## What are the ingredients in SEROQUEL XR?

**Active ingredient:** quetiapine fumarate

**Inactive ingredients:** lactose monohydrate, microcrystalline cellulose, sodium citrate, hypromellose, and magnesium stearate. The film coating for all SEROQUEL XR tablets contain hypromellose, polyethylene glycol 400 and titanium dioxide. In addition, yellow iron oxide (50, 200 and 300 mg tablets) and red iron oxide (50 mg tablets) are included in the film coating of specific strengths.

## General information about SEROQUEL XR

Do not take SEROQUEL XR unless your health care provider has prescribed it for you for your condition. Do not share SEROQUEL XR with other people, even if they have the same condition. It may harm them.

NOTE: This summary provides important information about SEROQUEL XR. For more information about SEROQUEL XR, talk with your health care provider or pharmacist or call 1-800-236-9933. You can ask your health care provider for full Prescribing Information about SEROQUEL XR that is written for health care providers and discuss it with him or her.

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Perry once questioned Bush's fiscal-conservative credentials.

Perry, 61, has known his wife Anita since childhood; they have been married for more than 30 years and have two grown children, a son and a daughter. If he runs, Perry says, Anita will be a big reason. In the past, Perry ruled out seeking the presidency and warned that Washington corrupts all who go there. But in the spring, he says, Anita began to forcefully push him to run, spurred by her dismay about Obamacare and the deficit. Aides raced to identify potential staffers and supporters in key states. Prominent religious leaders such as David Lane and John Hagee sent encouraging signals. Perry received policy experts, including two former top aides to Bush's first Defense Secretary, Donald Rumsfeld, for Austin briefings, along with potential GOP donors who just wanted to kick Perry's tires. By July, his aides were betting he would toss his hat in. Running, he says, "was a bit of a hurdle initially, but I'm very calm in my heart that this is what I'm supposed to be doing."

#### Perry's Prospects

OF COURSE, MANY A LATE CAMPAIGN entrant—think Fred Thompson in 2008—has landed with a thud. Plenty of

**Next in line?** Perry served as Bush's lieutenant governor before succeeding him in 2001, but the two men have never been close

veteran operatives on both sides caution that the Rick Perry modern-cowboy act won't wear well with voters; even some of his friends hold their breath when he gets quizzed on topics outside his comfort zone, particularly foreign policy. Perry has already had to amend his statement that it was "fine with me" that New York legalized gay marriage. He later clarified that he opposes same-sex marriage and supports a federal amendment banning it. Strategist Alex Castellanos, who worked against Perry in the 2010 gubernatorial primary, is one of the few prominent Republicans to give on-the-record voice to the common perception that the governor is intellectually challenged. "Perry benefits from an uncluttered mind," says Castellanos.

Perry brushes off the charge that he

**Republicans have put a Texan on their ticket in six of the last eight presidential elections**

lacks candlepower, as do friends like Mississippi Governor Haley Barbour, who argues that Perry's "aw-shucks country-boy sort of personality" leads people to underestimate him. That may be true. But as with Barbour, who chose not to run for President earlier this year after he got tangled up talking about the civil rights era, much of what makes Perry a formidable primary candidate could cripple him in a general election, in which Eastern and Midwestern suburban voters, particularly women, could be turned off by his cultural conservatism.

For now, though, Perry's team is pondering the nomination, not mapping out a general-election plan. It all starts with a lightning strike of weekend stops in the early voting states of South Carolina, New Hampshire and Iowa, with an eye on quickly making it a two-man race, against Romney. Perry's top strategist, David Carney, argues that the campaign would be about "auditioning to center-right voters" to show who could "take the wood to Obama on the economy, who will be the most effective messenger on straightening out Washington on debt, deficit" and jobs.

That's a contest Perry thinks he can win. And Rick Perry has never lost a race.



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An aerial photograph showing a severe drought. A small, dark-colored boat is stranded in a shallow, muddy pool of water within a dry, cracked riverbed. The surrounding landscape is parched and brown, with sparse green trees and some buildings visible in the upper left. The overall scene conveys the devastating impact of a drought.


NATION

A record-breaking drought has devastated much of the American South this summer. There's little relief in sight—and it could get a whole lot worse

By Bryan Walsh

# Parche



An aerial photograph of a dried-up creek in Lake Travis, Texas. The water is a murky green-brown color, and the surrounding land is parched and yellowish-brown. Several boat docks are stranded in the shallow water, some with small buildings on them. The docks are scattered throughout the frame, with some in the foreground and others further back. The overall scene depicts the impact of drought on a recreational area.

# d Earth

**High and dry** Stranded boat docks  
on a dried-up creek feeding Lake  
Travis in Texas; 99.93% of the state is  
experiencing some form of drought

Photographs by George Steinmetz for TIME



HURRICANES ANNOUNCE THEMSELVES ON RADAR screens before slamming into an unlucky coast. Tornadoes strike with little warning, but no one can doubt what's going on the moment a black funnel cloud touches down. If we're lucky, a tsunami offers a brief tip-off—the unnatural sight of the ocean swiftly retreating from the beach—before it cuts a swath of death and destruction.

But a drought is different. It begins with a few dry weeks strung end to end, cloudless skies and hot weather. Lawns brown as if toasted, and river and lake levels drop, like puddles drying after the rain. Farmers worry over wilting crops as soil turns to useless dust. But for most of us, life goes on as normal, the dry days in the background—until one moment we wake up and realize we're living through a natural crisis. Weather experts describe drought—generally defined as a protracted period of deficient precipitation—as the “creeping disaster”: though it destroys no homes and yields no direct death toll, drought can cost billions of dollars, lasting for months and even years. Alex Prud'homme—author of a new book on water called *The Ripple Effect*—compares drought to a “python, which slowly and inexorably squeezes its prey to death.”

This summer the python has gripped much of the southern U.S., from the burned fringes of Arizona—singled by massive wildfires—to usually swampy Georgia. Hardest hit is Texas, which is suffering through the worst one-year drought on record, receiving an average of just 6.53 in. (17 cm) of rain so far this year, well off

the 34 in. (86 cm) it receives over a normal 12 months. At the end of July, a record-breaking 12% of the continental U.S. was in a state of “exceptional drought”—the most severe ranking given by the National Drought Mitigation Center. More than 2 million acres (809,000 hectares) of farmland in Texas have been abandoned, and streets are cracking as trees desperately draw the remaining moisture from the ground. Taps are dry in one North Texas town.

The South has suffered crippling droughts in the past, but this time could be different—and worse. The driest regions are also the ones that have grown fastest in recent years, which means millions more Americans are living in rapidly expanding cities like San Antonio, Austin and Phoenix that can be dry in even the wettest years.

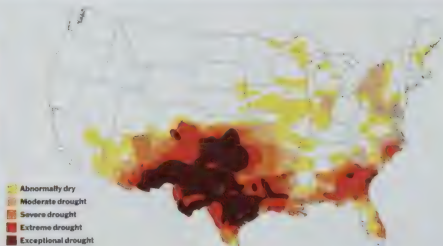
And there's evidence—when it comes to rainfall, at least—that the good years we've enjoyed in the past may have been more of an aberration than we realize. The Southwest in particular has a history over the past two millennia of severe droughts that lasted for decades; deeper in the geologic past, dust bowls endured for centuries. Just as worrying, climate change is expected to further dry out much of the region, multiplying the impact of population growth and expanding demand for water. What the South is facing may be not just a drought but the first signs of a permanent dry, one to which we'll need to adapt—if we can.

### Texas Runs Dry

WHO'S SUFFERED THE MOST IN THE DROUGHT of 2011? It could be farmers forced to plow under their fields for lack of rainfall or fishermen who've lost their oyster catch to the increasingly saline waters of Galveston Bay or even homeowners who've watched the foundations of their houses crack inside the bone-dry ground. But it's the donkeys who may have the saddest story. With pasture land all but dried up—the federal government has rated 94% of Texas pasture and rangeland as poor or very poor, the worst rating on record—ranchers in Texas have had to either buy expensive hay for their grazing cattle or prematurely sell off cattle to

**The edge of the desert** Stream beds are drying up throughout Texas, top. The lack of rain has ruined much of the region's pasturelands, forcing ranchers to sell their cattle earlier than planned, right





**Dry Nation.** Nearly 12% of the country is in the most severe state of "exceptional drought"—the biggest area on record

Source: U.S. Drought Monitor, as of Aug. 7





feedlots. (Some ranchers have had to sell triple the usual number of cattle, and losses have exceeded \$1.2 billion.) Many ranchers also own donkeys to guard their herds—the pack animals chase away predators like coyotes—but they have little value on the open market. As a result, hundreds of donkeys have simply been abandoned to the wild.

Wheat farmers are suffering too. Kansas will see its wheat harvest fall by a quarter, and wheat crops in Texas and Oklahoma may be 50% below normal levels this year. Altogether, analysts expect the U.S. winter wheat harvest to be at its lowest level in five years, adding to high food prices around the globe. Half or more of Texas cotton fields may end up abandoned. The 2006 drought, which lasted more than 20 months, was the most expensive in Texas history, causing more than \$4 billion in direct economic loss—but this dry spell could cost at least twice that. “First, it appears it will be longer, hotter and drier,” says Ray Perryman, an economic analyst based in Waco. “Second, commodity prices are much higher this time.”

Less measurable—but no less tragic—will be the damage to wildlife. More than half of Texas’ streams and rivers are below their normal flow rates, and at least seven of the state’s 200-plus reservoirs are essentially empty, destroying habitat for entire ecosystems. (One nearly dry reservoir in West Texas has even turned biblically bloodred, the result of bacteria that thrive in oxygen-deprived waters.) To address the emergency, cities in the South—not exactly known for heavy handed government—have imposed increasingly tight restrictions on residential water use. Power plants have struggled to meet record demand for electricity in the face of 100-plus-degree (over 38°C) temperatures day after day, and utilities have even had to hire helicopters to hose off dust and sand from transmission lines—current disrupting contaminants that would usually be washed away by the rain, if there were rain.

For all the damage the drought has wrought, its immediate meteorological cause is simple: La Niña. The regular global weather pattern involves an unusual cooling of the southern Pacific Ocean. An unusually strong La Niña effect this year has shut off the southern pipeline of moisture to the South, and the dry weather followed as if someone had simply turned off the tap. The bad news for the region is that La Niña—which ended only two months ago—may be returning this fall, extending the abnormally dry weather for many more months.

**The effects of drought** *Clockwise from top, water levels in New Mexico’s Rio Grande Valley are at extreme lows; helicopters are used to hose dust and sand off power lines; irrigated golf courses are surrounded by desert*

As bad as the 2011 drought has been, there’s reason to fear that the future could be much drier, because that’s what happened in the past. Just look at the Anasazi: the long-gone American civilization created one of the most sophisticated cultures of the pre-Columbian era from 1200 B.C. to A.D. 1300, building amazing cities into the cliffs of the Southwest. But the Anasazi civilization collapsed, the victim of overpopulation and megadroughts lasting decades. As populations in the driest parts of the country swell—Phoenix, which receives less than 9 in. (23 cm) of rain a year, has grown by 33% since 2000—the margin for waste during a bad drought decreases. At the same time, overall U.S. population growth means we’re using more water—from 150 billion gal. (570 billion L) a day nationwide in 1950 to about 400 billion gal. (1.5 trillion L) a day now. With demand growing, water shortages could become more frequent, even if precipitation rates remain steady.

But chances are they won’t—at least in the Southwest. While climate change is expected to increase precipitation levels globally, warming-related shifts in weather patterns are likely to make already dry areas drier still. In a 2007 study, Columbia University’s Richard Seager analyzed 19 climate models for the Southwest and found that the region was expected to become more arid in the decades to come. The result could be what Seager has called “perpetual drought,” which means perpetual desert.

The good news is that we’re not completely helpless before drought. Farmers will suffer because of this year’s dry spell, but much less so than their fathers and grandfathers did, thanks to improved weather forecasting and drought insurance. We can also reduce water waste by installing better infrastructure in cities—we lose an estimated 7 billion gal. (26 billion L) of drinking water a year through leaky pipes—and by using efficient drip-irrigation methods on farms. We’d do well to follow the surprising example of Las Vegas, where strict conservation has helped water consumption drop even as the population has ballooned, in part because of tough city rules that promote water reuse. And we can work to reduce greenhouse gases and blunt the worst effects of climate change.

But for all that, we still can’t make it rain. Drought may be the creeping disaster, but there’s a characteristic it shares with all natural catastrophes: they remind us of our essential vulnerability to the whims of the planet. Churches in the drought-stricken South—and politicians like Texas Governor Rick Perry—have offered prayers for rain. So far, those pleas haven’t been answered, but those in prayer would do well to remember the old saying: God helps those who help themselves. — WITH REPORTING BY HILARY HYLTON/AUSTIN AND ALYSON KRUEGER/NEW YORK ■



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ECONOMY

# Seeking Growth After the Arab Spring

Unless it can nurture entrepreneurs and create jobs, the popular movement that toppled the dictators won't make a difference in real lives

BY MICHAEL SCHUMAN/CAIRO

Photographs by Myriam Abdelaziz for TIME

**Marketplace** The shops in Cairo's bazaars, once packed with tourists, are often deserted



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\*Based on cumulative total return. 11 of 12 (92%), 12 of 12, 10 of 10, and 12 of 12 of the Retirement Funds for individual investors outperformed their Lipper average for the 1-, 3-, and 5-year and inception periods ended 6/30/11, respectively. The Retirement 2010, 2020, 2030, 2040, and Income Funds began operations on 9/30/02, the 2005, 2015, 2025, and 2035 Funds began operations on 2/29/04; the 2045 Fund began operations on 5/31/05; and the 2050 and 2055 Funds began operations on 12/31/06 (and thus do not have a 5-year performance history). (Source for data: Lipper Inc.)

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**A**FTER EVEN A SHORT WALK through Cairo's stifling heat and throat-clogging car fumes, the Diwan Bookstore, with its quiet café and histories of the pharaohs, is a welcome oasis. But the shop is much, much more than just that. Amid the neatly aligned bookshelves, we can discover how to ensure the success of the Arab Spring.

Diwan was founded by an unlikely pair of entrepreneurs: sisters Hind and Nadia Wassef. After both became bored in NGO jobs, they thought a start-up of their own could put their master's degrees in literature to work and help Egyptian society at the same time. "If you have your own business, you can right the world," says Hind, 40. Bookstores in Egypt had been cluttered, inhospitable affairs—little more than plain rooms crammed with dusty stacks. When the Wassefs opened the first Diwan in Cairo's Zamalek district in 2002, they introduced wealthy Egyptians to the hip, professionally run bookshop—a place to relax, take the kids and sip espressos. Today the Wassefs have 10 shops, employing 190 people. With unemployment at almost 12%, those jobs are badly needed.

Yet building the business was a nightmare. Almost insurmountable hurdles face the entrepreneur in Egypt. With few sources of finance available, most of Diwan's start-up capital of \$170,000 came from the Wassefs' personal savings. The education system is so poor in Egypt, they complain, that they struggle to find qualified staff. The workers they hire often require weeks of training in everything from customer service to the basics of personal hygiene. But the biggest headache is the government. The bureaucrats "have the productivity of a Cheerio," complains Nadia, 36, while regulations are so complicated that "doing the right thing is supercostly." In one instance, the Wassefs waited more than two years for the license required to open a new store. "It is demoralizing," Nadia says. "Why would you become an entrepreneur [in Egypt]?"

That's a question the Arab Spring governments in Egypt, Tunisia and elsewhere in the region must answer if they intend to survive. Of all the many challenges facing the Middle East's postrevolution leadership—rebuilding political institutions ravaged by decades of authoritarianism, uprooting endemic corruption and restoring order to societies in disarray—perhaps the toughest and yet most crucial are economic. The perennially high unemployment, stagnant incomes and dearth



**'I sit here and troubleshoot garbage, and it is demoralizing. Why would you become an entrepreneur [in Egypt]?'**

—NADIA WASSEF, CO-FOUNDER OF DIWAN BOOKSTORE

of opportunity common in much of the region fueled the frustration that Arabs have vented in places from Cairo's Tahrir Square to Bahrain's Pearl roundabout. Nothing short of an overhaul of the economic systems of the Arab world is needed to unleash the entrepreneurial energy of small-business founders like the Wassefs. If that doesn't happen, the popular movements that toppled dictators could quickly turn against their new, democratic leaders. "People want to see real changes to their livelihoods," says Mona Mourshed, a partner at consulting firm McKinsey in Dubai. "We will continue to see instability unless there is real, tangible change."

For many, change isn't coming quickly enough. Mustafa Farouq, 28, of Cairo, completed a business degree several years ago but has not been able to find work; he joined the protests against then President Hosni Mubarak's regime, hoping a new government would bring more opportunity. But he is still jobless, and his optimism has faded. "We were

**Help wanted** Hind, left, and Nadia Wassef struggle to find qualified staff for their bookstores

hoping that all the money the government stole would come back to Egypt and that corruption would end," he says. "But none of that has happened."

So now Farouq does what other young people have learned to do in the wake of the revolution: continue to protest. On a Thursday afternoon, he sits at an outdoor café with a group of friends outlining a vague set of follow-up demands they intend to take to Tahrir Square, including calls for more jobs.

Certainly, jobs are desperately needed. Youth unemployment in the Middle East, at 25%, is the highest in the world. For young women, the situation is even more desperate, with more than 30% unable to find work. A recent report from the International Finance Corp. (IFC) and the Islamic Development Bank figures that youth unemployment costs the region as much as \$50 billion a year—roughly equivalent to the entire GDP of Tunisia or Lebanon. Given the region's extremely youthful population—two-thirds are 29 or under—millions of young people enter the workforce every year, many with university degrees, and the region's economies are unable to keep pace.

### The Globalization Game

CREATING ALL THOSE JOBS WILL REQUIRE a reversal of history. The Middle East is suffering from a half-century of poor economic policy, due in part to the curse of oil, which has banded the structural



**Open for business** Cafeteria operator El Matbakh was able to expand despite Egypt's stifling regulations

problems of many nations. But it is also a result of corrupt and ineffectual leaders. Back in the 1970s, many Arab nations had income levels on par with or even higher than those of developing Asian countries, but since then, economies like South Korea, Malaysia and China have zipped ahead.

The reason is that Asian policymakers and businesses proved more adept than their Arab counterparts at connecting to the global economy, building export industries with their large pools of cheap labor and capitalizing on offshoring and outsourcing. The governments in the Middle East did just the opposite, often favoring state-dominated models that squelched trade and investment and tied up the private sector in regulatory knots. Some regimes, such as Syria's and Libya's, were openly hostile to the U.S.-led global economic system; in other countries, like Egypt, only a select few close to the authoritarian rulers found a smooth path to prosperity. As a result, the region has been left out of the international supply chains that are driving growth in Asia and other emerging markets. That's why iPhones and their parts are manufactured in Japan, South Korea and China, not Tunisia, Egypt or Yemen.

Now the Middle East must jump into the globalization game. But playing catch-up won't be easy. The region's costs are too high compared with those of large, poor Asian countries like Bangladesh, and its workers lack the engineering talent and other skills to attract more high-tech manufacturing. Intrusive, inefficient bureaucracies, weak legal systems and feeble infrastructure make many Arab nations

less appealing to foreign investors than other emerging economies. The World Economic Forum's most recent competitiveness survey ranks Egypt, Syria and Libya behind Rwanda, Guatemala and Kazakhstan.

Arab countries do have some advantages. Tunisia has been able to woo factories from European manufacturers because of its proximity and lower costs. Egypt could attract investors interested in tapping its large consumer market of 84.5 million people. The Arab states that opened to the world have shown that foreign companies, if made welcome, will part with their money. Dubai, in the United Arab Emirates, for example, has combined regulatory reform, top-notch infrastructure and religious tolerance to build the region's primary finance and transport hub out of little more than sand dunes.

### Closing the Gap

COMPETING ON THE WORLD STAGE, HOWEVER, will require intensive reforms. The biggest problem is inadequate education. Inflexible, exam-based school systems stifle creativity and channel top students into a handful of fields, like medicine, while fields like teaching are starved of talent. The quality of public classroom education is so miserable that in the case of Egypt, for instance, parents are forced to spend extra money on private tutoring, something the poor can't afford. Vocational training is also lacking. The result is a skills gap: a chasm between the qualifications of graduates and what employers

actually require. The IFC study discovered that executives in the region believe only a third of new hires arrive prepared for the workplace. Many are missing everything from language skills to the ability to think critically. "Education has been going in an avenue that has nothing to do with the job market," says Moataz Al Alfi, chairman of Cairo's Al Alfi Foundation, which supports educational programs. That adds tremendously to the costs of doing business in the Middle East. OMS, an IT-services firm based in Cairo, invests about \$12,000 per new employee—not pocket change for a start-up—and places every hire in a four-month in-house training program. "Egypt is not producing the minimum level of required skilled people," says OMS co-founder Ahmed Kabeel.

Most of all, the Arab world's new leaders must free small businesses—the primary force for creating more jobs—from the confining red tape and predatory bureaucrats that plague the private sector. Just listen to entrepreneur Hiba Jammal, 32. Smelling opportunity in Egypt's large domestic market, Jammal and her husband Tarek Khaddaj moved to Cairo from Lebanon in 2007 and founded El Matbakh, which manages and supplies food for cafeterias at big corporations. Today, with a staff of 80, El Matbakh dishes out beef bourguignonne and chef salads for clients like Procter & Gamble. But getting started was a big challenge. Jammal says she got lost in a confusing and opaque web of regulations. She hired a lawyer to help her wade through the morass, but it made little difference. After El Matbakh set up its central kitchen and headquarters, Jammal discovered that the property didn't have a proper license to house the operation, forcing her to move and refurbish another location—a crippling expense for a start-up. "You can't get [anything] done unless you know someone who knows someone who knows someone," Jammal complains. "You have no way of negotiating that as an entrepreneur."

It's unclear if Jammal will get relief anytime soon. The business community in the region has no clue as to what economic policies the incoming Arab Spring governments will pursue. In Egypt, the pro-democracy movement has an anti-capitalist edge. The public believes Big Business was in cahoots with the old dictatorship, and several prominent politicians



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**Protest** Poor families seeking jobs and homes have launched a sit-in outside Egypt's state television headquarters in Cairo

suspected of amassing fortunes from corruption have been arrested. "Everyone is still wondering what kind of government we're going to have," says Hisham Fahmy, chief executive of the American Chamber of Commerce in Egypt. "Is it going to stay free market or go toward populism? Socialism? We don't know."

Such uncertainty will make it difficult to woo investors already scared off by the widespread unrest. If anything, the recent political upheaval has set back the region's economies even further. Soaring prices for food and fuel and persistent unrest have driven Yemen's economy to the brink of collapse. In Egypt, the important tourism sector—which accounts for 13% of GDP and 11% of employment—has suffered severely. In the first quarter, the number of tourists visiting Egypt plummeted 45% from the same period a year earlier, and the amount of money tourists spent plunged 34%, according to the U.N. World Tourism Organization. Growth is taking a hit in much of the region. Because of the Arab Spring, the World Bank sharply sliced its GDP growth forecast for the Middle East and North Africa, from 4.8% to 3.6% for 2011.

A quick turnaround is unlikely. History tells us that postauthoritarian democracies suffer teething pains when it comes to

fixing economies. After the fall of Suharto in Indonesia in 1998, democratic leaders needed several years to get the economy back to healthy growth. Eastern Europe endured similar trials after the Berlin Wall came down. Arab Spring leaders may lack the experience to grapple with entrenched economic woes and the political muscle to press forward with tough reforms. "At this point, in a revolutionary environment, it is very hard to get back into the game," says Howard Pack, an economist at the University of Pennsylvania in Philadelphia who specializes in the Middle East. "They have to do a whole range of things simultaneously. There is no silver bullet."

Yet the Arab revolution has also sparked optimism. Many hope that greater democracy will force elected leaders to be more

accountable and deliver results and thus will generate better economic policy. "If you don't believe that more transparency and less corruption lead to better economic management, then you don't believe in the democratic process," says Ayman Khaleq, a partner at law firm Vinson & Elkins in Dubai. By brushing aside the old elites, the revolutions are potentially making the economies of the Middle East more democratic as well, opening opportunities for new businesspeople to succeed on merit, not connections. "A collapse of the traditional structures creates an opening for young people who want to create wealth in their countries," says Linda Rottenberg, chief executive of Endeavor, a New York City-based NGO that supports entrepreneurship in the developing world.

That's why the Arab Spring in Egypt has given hope to young businesspeople like OMS's Kabeel. "I can't hide that there are a lot of uncertainties in the circumstances around us," he says. But with the advent of democracy, "if you do something for your country, it will deliver results. This was totally not there." With that spirit, the Arab Spring may change not just politics in the Middle East but also real people's lives. —WITH REPORTING BY ABIGAIL HAUSLOHNER/CAIRO

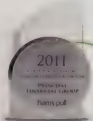
**'A collapse of the traditional structures creates an opening for young people who want to create wealth.'**

—LINDA ROTTENBERG OF ENDEAVOR, A NEW YORK CITY-BASED NGO

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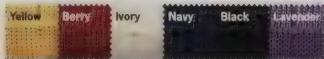
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# The Culture

**48 POP CHART** *Final Destination's* body count / **50 FOOD**

Cooking with YouTube / **52 TECH** Tricked-out golf carts

**54 BOOKS** A novel with bite / **57 HEALTH** Refusing the

vaccine refuseniks / **58 TUNED IN** The age of austerity TV





The Gay & Lesbian Alliance Against Defamation rated the channel "excellent" for its portrayal of LGBT characters on shows like *Pretty Little Liars*.

The network had to apologize after Nicki Minaj's wardrobe malfunction on *Good Morning America*.



## Cable Porn Goes Down

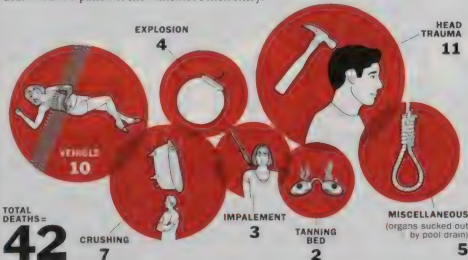
Add this to the list of industries the Internet is killing: pay-per-view porn. Adult programming has long been a cash cow for cable and satellite companies, but revenues from the blue movies are slipping. While an on-demand title can often run about \$10 a pop, countless websites offer similar (and even rougher) content for free.

A New Zealand film archive recently uncovered Alfred Hitchcock's earliest known film credit. When he was 24, Hitchcock served as writer, assistant director, editor and art director for 1924's *The White Shadow*, which starred Betty Compson as twin sisters—*one good and one not*. But the footage is incomplete because only three of six reels (about the first 30 minutes) have been found so far. Thus the ending remains a mystery. Naturally.



## Destined for Gory

People don't die easily in the **Final Destination** movies. Over 11 years, the horror series has killed off its characters with elaborate scenarios that would make Rube Goldberg proud. Our in-house horror experts logged each death in anticipation of the franchise's fifth entry:



## Baby's Back

Next on the Hollywood remake docket is 1987's *Dirty Dancing*, with Kenny Ortega, the original film's choreographer, slated to direct. The news was met with almost universal dismay—and not just because of the absence of Patrick Swayze. Can you really have the time of your life twice?



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Smash and eggs.  
Tryin' to get this party  
started.

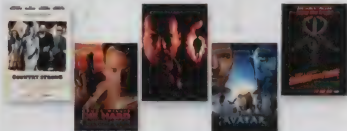
MOVIES

What if You Called It ... ?

In just two words and an ampersand, *Cowboys & Aliens* tells you precisely what it's about. Wouldn't choosing what to watch be so much easier if all movies had such literal titles? We asked our Twitter followers for suggestions, using the hashtag #literalmovietitles.

ERIC PATTERSON: "HER  
AGENT I WANT TO  
Y. MURDER. 20-20-20. I want to kill  
@EricStangel, head writer and  
executive producer of Letterman

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1 THING YOU  
DON'T HAVE  
TO WORRY ABOUT  
THIS WEEK

**Your character  
flaws.** They can't  
compare with those  
of Arnold "I had  
a love child with the  
maid" Schwarzenegger,  
who decided to  
further humiliate his  
wife by wearing  
an I SURVIVED MARIA  
T-shirt in public.



MOVIES  
**Attack the Block**

A British retort to *Super 8*—in which preteens living in 1979 small-town Ohio puzzle through a bloodless alien invasion—writer-director Joe Cornish's *Attack the Block* is urban and modern and not at all afraid to get its hands gory. Set in a South London housing project, *Block* throws us in with a gang of young black toughs who must fend off vicious sharp-toothed space invaders. Holding the film together is the performance of first timer John Boyega (above center), who plays brash and scared equally well.

—GILBERT CRUZ

MUSIC  
**Jay-Z and  
Kanye West,  
Watch  
the Throne**

The deluxe edition of *Watch the Throne*, Jay-Z and Kanye West's long-awaited collaboration, is a 16-song study (the regular edition has 12) in gold-plated opulence. (Kanye, in "Otis": "Last week I was in my other other Benz.") But dig deeper, past the blinged-out celebration of the finer things in life, and you'll find the album's heart: two men grappling with what it means to be successful and black in a nation that still thinks of them as second class. The finest example is "Murder to Excellence," a song that laments violence in urban communities and explores what it's like to be one of the few black members of the American elite. This is a decadent album by two of hip-hop's boldest artists, both of whom have a lot of things to say and a lot of cash to blow. As Kanye explains in "No Church in the Wild," "We probably spend it all 'cause the pain ain't cheap."

—CLAIRE SUDDATH

VERBATIM

"When did  
you first  
realize you  
were adorable?"

AN UNKNOWN REPORTER, in a 2007 *Rolling Stone* "Dischord and Sheryl Crow" pressman chat for the magazine's "New Year's Eve" celebration, asks the *Verbal Abuse* singer about his life in Los Angeles.

# Food

## The Other Cooking Channel YouTube's entertaining new recipe

By Joel Stein

THERE ARE STILL SEVERAL PEOPLE on this planet who do not have their own television cooking shows. Luckily, they have all found an outlet on YouTube. And some of them are finding an audience. Hundreds of people who have been accepted into YouTube's Partner Program are now making more than \$100,000 a year for letting the site run ads along the bottom of their videos, and many of these new partners have channels that involve food. (Subscribe to one and you'll get e-mail alerts whenever new content is posted on it.) YouTube has even started to develop emerging culinary talent: this spring it gave \$35,000 to Kwang-sook "Maangchi" Kim, a 54-year-old Korean-American grandmother who is using the money to bounce around the world adding kimchi to various dishes. YouTube is helping people like Maangchi (which means hammer in Korean) as the site tries to aggressively take on television by catering to a world of niche interests—and selling niche advertising to those viewers. The shows do get pretty niche. —WITH REPORTING BY VALERIE LAPINSKI



### Epic Meal Time

Harley Morenstein, a shouty 26-year-old Canadian who used to be a substitute teacher, doesn't really cook. He and his buddies do *Jackass* for the kitchen, combining bacon, fast food, booze and candy into dishes no one would want to eat. Then they get hot punk chicks to eat the stuff with them, never with a spoon or fork and sometimes meeting each other in the middle over a slice of bacon. Typical dish: the Fast-Food Meatloaf, in which a regular meatloaf is filled with bacon and 25 Big Macs and topped with Jack Daniel's sauce. The thought process behind each recipe, Morenstein says, is "Let's make it crazier. How can we make this dumber?" Since starting 10 months ago, Epic Meal Time videos have been viewed more than 173 million times. It is, perhaps, Canada's finest mockery/appropriation of U.S. culture since Paul Shaffer.






### Great Depression Cooking with Clara

What you learn from watching Clara Cannucciari, 95, prepare recipes from her childhood is that food during the Great Depression sucked. While hopefully, no one is using her videos to make the saddest looking eggplant parmesan ever, Cannucciari is so cheery when recounting details of suffering through the Depression in Chicago's Little Italy that she makes an era deadened by the same black-and-white photographs of Hoovervilles and dust bowls newly relatable. Renting garages to moonshiners! Dropping out of high school because she had no socks! In 2007 her grandson asked if he could start recording her in her home in upstate New York, and since then, she has put out a cookbook and been on *The Daily Show*. She plans to release her last video on Aug. 18, her 96th birthday. I didn't know the Depression taught people to be quitters.



**KEY**  
The cooking channels on YouTube are popular for different reasons. A guide:

-  **TRY THIS AT HOME!**
-  **LOOK, DON'T COOK**
-  **= 10,000 SUBSCRIBERS**

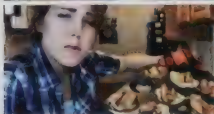
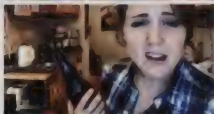
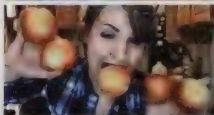
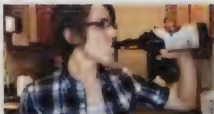
SERIOUS  FUNNY

**YOUTUBE'S SECRET SAUCE**  
How did these five cooks become online hits? Watch and learn on [time.com/youtube\\_cooking](http://time.com/youtube_cooking)



## Vegan Black Metal Chef

It's a one-note joke: wimpy vegan cooking explained through heavy-metal songs delivered by a Satan-worshipping guy in Kiss-like makeup. The reason the songs are so clever—and the recipes so interesting—is that the joke is being delivered by a self-aware vegan in a metal band. Brian Manowitz lives in Orlando, plays in a band called Fields of Glass (sample song title: "The Liberation of Darkness") and will not eat anything derived from an animal. He's made only three videos so far, but the first one he posted, in May, has attracted nearly 1.5 million views. He's not just delicately cutting tofu with a scythe into the shape of a pentagram. The chef-composer is also screaming such lyrical tips as "The wasabi that comes in the paste tube/ Usually kind of sucks/ It's not as hot/ The powder is the way to go."



## My Drunk Kitchen

On YouTube there are a lot of drunk-looking people cooking—something *The Galloping Gourmet* and Julia Child did long ago—but Hannah Hart is the funniest. In the episode in which she attempts to make an apple pie, she says, "Some people are like, 'You have to sift it so blah blah blah blah.' And then you're like, 'Can you just shut up?'" She's only nine videos and four months in, and she still can't cook. But she can really drink.



## Food Wishes

On one of the most popular cooking shows on YouTube—with more than 118,000 subscribers—you don't see the host's face, just his hands. This isn't because John Mitzewich, a former instructor at the California Culinary Academy in San Francisco, is so unfortunate-looking. It's because he got started with only one crappy camera that he duct-taped to a spice rack. "Literally, all I could do was one shot of the cutting board," he says. "And if I moved the spice rack over to the stove, I could get a shot of the pan." Chef John is a no-nonsense kind of guy, teaching you—in less time than any TV cook ever—how to make a basic but solid version of anything. His favorite recipe so far is for onion rings that are still crispy when cold. He's laid-back and conversational, but even if he were a racist drill sergeant, people would still watch Food Wishes because it's so useful.



## Tech

SPEED  
LIMIT  
35

## Slow Riders. Souped-up golf carts hit the streets

By Bill Saporito

CENTRAL PARK SOUTH IN MANHATTAN IS everything that is awful about driving in New York City. Tour buses, horse-drawn carriages, trucks, cyclists, taxis and passenger cars converge from Fifth Avenue in a tortured tango of man and metal trying, without apparent success, to get somewhere in a New York minute. And now I am adding another machine to the transportation mix: a battery-powered Garia LSV, which is short for low-speed vehicle.

Garia is the latest entry in the market for LSVs, which are essentially street-legal golf carts. They used to be confined to retirement villages and gated communities, where no one is in a particular hurry and traffic is a sign of vitality. But changes in state laws have made these souped-up golf carts increasingly popular on regular roads, and some towns have been accommodating the surge by doing things like converting parking spaces for these itty-bitty buggies and designating which major intersections they can cross.

According to the Insurance Institute for Highway Safety (IIHS), most states now allow LSVs on any road where the speed limit is 35 m.p.h. or less. This makes LSVs legal in New York City, where the crush turning onto Central Park South reveals some advantages the Garia has over a typical sedan. The Garia is made by a Danish company of the same name that has positioned itself as the Porsche of the LSV market. (Its vehicles are made in Finland at the same factory that assembles the Porsche Boxster.) The tricked-out \$27,000 model I am testing has a dashboard refrigerator and chrome wheels. But by federal decree, it can't go any faster than a very un-Porsche-like 25 m.p.h. Its squat front end means I can weave through the swarms of pedestrians more easily, and the turning ratio is such that cutting into traffic is a snap.

But then comes the reality of what this maneuverability means: Do we really want LSVs, which have little in the way of passenger protection, out there with the heavy metal? When the IIHS crash-tested one popular LSV model, the GEM ez, the results weren't pretty. In one test, the institute took the smallest car on the market, the Smart, and rammed it into a GEM at 31 m.p.h. Sensors showed that the crash-test dummy in the Smart was protected from serious harm by the

car's air bags and roll cage. The GEM dummy was toast. David Zuby, chief research officer of IIHS, called LSVs the undoing of 40 years of auto-safety improvements. To be street legal, LSVs need headlights and taillights, rear and side mirrors and seat belts, but they don't have to pass the crash tests required of all passenger cars and trucks, nor do they have side-door air bags. Heck, they don't even have side doors.

The relatively low price of LSVs—the cheapest sell for about \$7,000—make them affordable to more people. But when a colleague took a look at the Garia, she said there's no way she'd drive it in Manhattan. This did not prevent her from assigning me to drive it. Having done so, I'd have to agree with her assessment. These are still golf carts, and they have their place. But not in the big city.

**LSVs used to be confined to retirement villages and gated communities, where no one is in a particular hurry**

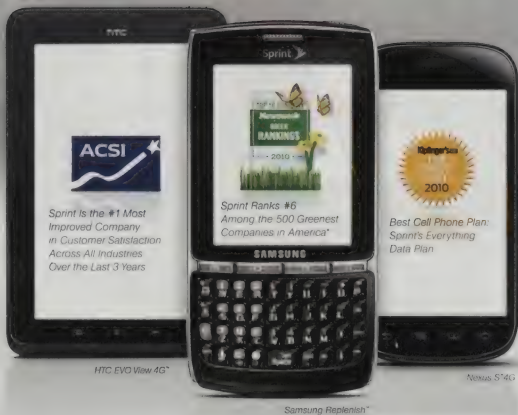




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# Books

## Stunt Casting In *The Family Fang*, art and parenting don't mix

By Mary Pols

CALEB AND CAMILLE FANG ARE FAMOUS performance artists. "We distort the world; we make it vibrate," Camille says proudly in *The Family Fang*, Kevin Wilson's irresistible first novel. That's the exhibition-catalog spin on their shtick. What they really make are embarrassing public scenes, often at malls—an avant-garde *Candid Camera*. They revel in creating chaos (and they're careful to document it on video for screening in galleries and museums). The more punches thrown or arrests made, the closer the Fangs feel to true beauty.

Don't they sound like total pills? It would be unpleasant enough to be an ordinary mug unwittingly sucked into their games, but imagine being their children Annie and Buster, who provide the book's central perspective. Part of their parents' stagecraft from babyhood (and called "Child A" and "Child B" in public), they rebel as teenagers and quit the family business, sick of being manipulated into stunts like kissing each other or vomiting on the table in an elegant restaurant. These days, Annie is an accomplished actress, Oscar-nominated for playing a "shy, drug-addicted librarian who gets involved with skinheads." Buster pays his bills by writing for men's magazines (his latest piece for *Potent* is about Iraq vets battling postwar stress by shooting potatoes out of cannons) and has published two novels, both strange and unsuccessful.

This strange novel deserves to be very successful. Left both damaged and innocent by their warped childhood, Annie and Buster have a touch of Salinger's Glass family about them; the Fangs' circus-freak vibe also brings to mind Katherine Dunn's *Geek Love*, which embedded the reader in a similarly off-kilter world. *The Family Fang* is also just a great yarn. Wilson weaves gracefully back

and forth between the Fangs' glory days as a quartet ("I loved the aftermath, the confusion on everyone's faces but ours," says Camille) and the present. Returning to home base in Tennessee after various professional disasters, Annie and Buster have to deal with their parents' sudden, bloody disappearance. It might be foul play, or it might be just another brash stunt—Caleb and Camille's intended masterpiece. Child A and Child B must play detective to find out the truth.

Wilson sets up an emotional and intellectual battle between the children's longing for normality and their parents' ideal that art should trump all. Not all art, to be sure—Caleb dismisses his children's films and novels as "inferior

forms"—but radical, hard-to-classify provocations like those of the elder Fangs. (Call it post-Merry Pranksterism: inflammatory happenings conducted without drugs and with grant money.) "We want to find them and show them that they can't do whatever they want, just because they think it's beautiful," Buster says after his parents vanish. Caleb and Camille's pursuit of beauty—in which taking a kid to see Santa is a blank canvas, and any person on the street is fair game for sinking fangs into—just pushes the same, judgmental button over and over.

What's wrapped up in Wilson's trim and intriguing narrative isn't a critique of experimental or performance art. Rather, his Fangs are stand-ins for a larger phenomenon: the selling out of one's life and children for the sake of notoriety. (Think Jon and Kate, the O'Neals or any of the reality stars who've made sacrificial lambs out of their family members.) But at least Caleb and Camille raised a pair of talented kids. I'd love to be able to see Annie's movies and read Buster's books, but I'll settle for being Wilson's fan instead. ■



FIRST LINES

**The Fangs are stand-ins for a larger phenomenon: the selling out of one's life and children for the sake of notoriety**

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# Health

## Vaccinate or Leave. More pediatricians are firing families for not giving their kids shots

By Jeffrey Kluger

WE WERE SUPPOSED TO BE DONE WITH THIS BY NOW. WHEN the *British Medical Journal* announced in January that the seminal 1998 study linking vaccines to autism was an "elaborate fraud," parents who had refused to have their kids vaccinated were expected to flock back to their doctors' offices—not that they ever should have stayed away. With the world's leading medical authorities (the NIH, CDC, WHO) telling you vaccines are safe and Jenny McCarthy (MTV) telling you they're not, the choice should be easy.

But nonsense has a way of sticking around, and vaccination rates in the U.S. have continued to flag. Now some pediatricians are taking matters in hand, telling parents, in effect, Vaccinate your kids or find another doctor.

Overall, less than 1% of U.S. children in the 19-to-35-month-old group have gotten no vaccines at all. That seems small, but fully 30% of children in all age ranges have skipped at least some of their recommended shots. "When kids who take [vaccine] exemptions cluster in a community, the concentration can cause disease to spread," says Lance Rodewald, director of immunization services at the CDC.

It's not just the children themselves who are put at risk. Infants too young to get any vaccines could be infected by older carriers who have declined some of their shots. People who are immunocompromised because of cancer treatments or other health issues are at special danger of infection. Those individuals rely on what's known as herd immunity—the power of a vaccinated population to shield its few unvaccinated members. But serious holes get poked in the herd when you fall below the 90% immunization level.

All these dangers can become exponentially worse in a pediatrician's office, where kids with multiple illnesses and varying immunization levels crowd together. "We had unvaccinated children come in with whooping cough, sitting in a waiting room with babies," says Dr. Scott Goldstein, of the Northwestern Children's Practice in Chicago. "We'll see the same problem with measles as people decline vaccinations for that too." That's why in June, his office implemented a vaccinate-or-leave policy.

The number of pediatricians who take such a hard line is growing. According to the American Academy of Pediatrics (AAP), the percentage of doctors who sometimes or always fire refusenik families has risen from 18% in 2005 to 25%. The official position of the AAP is that cutting patients loose should be a last resort, since doctors with too quick a trigger finger run the risk of leaving kids with no medical advocate at all. The tragedy, of course, is that the greatest advocates should be the parents—who abdicate their job when they ignore the science.

### Sticking Points

#### MEASLES

An unvaccinated child is

**35**

times as likely to contract measles as a vaccinated child is



Percentage decline in measles mortality worldwide from 2000, when the WHO stepped up vaccinations, to 2008

**1 IN**

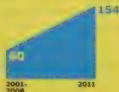
**1,000,000**

Risk of developing encephalopathy from the measles vaccine

**1,000**

Risk of developing encephalopathy from the measles virus

There have been 154 U.S. cases of measles in 2011. The annual average from 2001 to '08 was less than 60



#### POLIO



Number of cases of polio in the U.S. in 1952

**1,312**

Number of U.S. polio cases in 1961, six years after the polio vaccine made its debut

**0**

Number of cases of polio in the U.S. in 2002

#### DOCTORS TAKE ACTION

Percentage of pediatricians in the U.S. turning away vaccine refusers

**18%**

**25%**

SOURCES: PEDIATRICS; JAMA; INTERNATIONAL POLIO NETWORK; AAP



# Tuned In

## Trash TV. In pawnshops and junkyards, a hard-up country hunts for its past

By James Poniewozik

THEY ARRIVE WITH GUNS. THEY ARRIVE with toys. They arrive with comic books, whiskey bottles and bayonets. They arrive—the guests on History Channel's *Pawn Stars*—at the Gold & Silver Pawn Shop in Las Vegas, looking for a hearing, a story and a number.

The various pilgrims of *Pawn Stars*, hauling in their curios for assessment in the hope of hitting a different kind of Vegas jackpot, have brought History big numbers as well. One night in July, a special episode netted 7.6 million viewers, a stunning number for basic cable in summer. (By way of comparison, a new episode of NBC's *30 Rock* might get 5 million or so.) Since its debut during the recessionary year of 2009, *Pawn Stars* has launched a timely new TV genre. There are now, depending on how you define them, a dozen or so cable programs dealing with pawnshops, auctions or finding treasures in the trash. Junkyards haven't been this hot since *Sanford and Son*.

Think of these shows as austerity TV—treasure hunts that emphasize making

do with what you have in tough times, reusing, recycling and reselling. Some of them are about fixing up junk into valuables, like History's *American Restoration* and Lifetime's *Picker Sisters*, in which two designers turn a nest of barbed wire into light fixtures and tear down a dilapidated house for scrap to make Adirondack chairs. Some are about people who find overlooked gems (History's *American Pickers*, HGTV's *Cash & Carl*); some are about the people who buy and sell them (Spike's *Auction Hunters*, Discovery's *Auction Kings*). Science network is debuting *JUNKies*, in which inventors and artists trash-pick a junkyard on New York's Long Island for project materials.

In a way, *Pawn Stars* is a commercial descendant of the BBC/PBS series *Antiques Roadshow*, with basic-cable flash and more economic frankness. Both series work in history lessons about the collectibles before offering, literally, the money shot of a price quote. But *Roadshow* has always provided the polite cover—in the genteel spirit of noncommercial TV—that it's not really all about the cash: "Oh, I'd never sell this. It's just nice to know." (A newer PBS show, *History Detectives*,

investigates antiques with even less emphasis on cash appraisals.)

You walk into a pawnshop, on the other hand, because you want—or need—some damn money. In one episode of *Pawn Stars*, a man goes into Gold & Silver with a wooden propeller that his grandma says Charles Lindbergh gave her for selling war bonds. "It's been in my family for years," he says. "It's been a treasure to them, and now it's no longer a treasure to me."

You could see a mini American-history lesson in that transaction right there: an artifact's journey from the expansionary society of the Greatest Generation era to the everything-must-go days of the Great Recession. There's a fallen-world nostalgia to these shows, a tribute to the artifacts of a better, more authentic time. "Remember back in the day when things were made by hand and people took pride in their work?" asks the intro to *American Restoration*—whose title sounds like the name of a political party from a dystopian future.

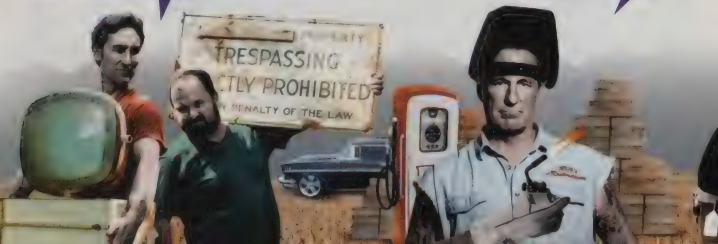
*Pawn Stars*, *Pickers* and the like have a loving fascination with the hefty, analog thinginess of the objects their participants find and sell: the curves and bumps in an ancient Filipino kris sword, the weight of a flintlock rifle. Even the characters are reassuringly old school, like Richard Harrison, the grizzled patriarch

### AMERICAN PICKERS

Modern archaeologists Mike Wolfe and Frank Price travel the country, digging through junk piles and recovering forgotten treasures.

### AMERICAN RESTORATION

Rick Dale and crew take discarded machinery, scrap off the rust, bust out the dents and put the polish back on marvels of midcentury craftsmanship.



on *Pawn Stars*, who laughs at Rick, his son and partner, for seeing a doctor for stress. "Used to be, stress was you'd get a bottle of Jack and deal with it," he scoffs.

But the present tends to intrude on this nostalgia. *Storage Wars*, A&E's most popular show, styles itself as a kind of *Let's Make a Deal* mystery-box hunt: professional buyers of secondhand goods bid on the contents of abandoned storage lockers, getting bare minutes to scope them out before betting on the chance that there might be valuables inside (a cache of original rock posters, a rhinoceros-horn chalice and, once, a tiny antique automobile).

It's exciting, mysterious and fun, a junk-sale junkie's vicarious paradise. And it's sad only if you stop to think that all these lots are up for auction because somebody fell behind on the rent. We never know why: A lost job? Divorce? Medical bills? The only evidence is the silent testimony of the stuff filling the lockers to the ceilings: particleboard cabinets, laundry baskets and bins, a cheap-looking stereo, a toy microwave—the detritus of someone's surrendered life. "It's a lot of junk," one bidder says, surveying a disappointing lot. "And it smells kind of funny."

In a way, these shows are the flip side of another megapopular cable

## Think of these shows as austerity TV—treasure hunts that emphasize making do with what you have in tough times

genre: shows about people who compulsively hoard possessions (or even dogs, cats and goats, as in *Animal Planet's Confessions: Animal Hoarding*). A&E also airs the hit *Hoarders*—effectively making itself the People & Their Stuff network—and the juxtaposition of the two types of shows paints a picture of a society that's both hustling to get by and buried in its junk.

How did we get here? For one answer, you might look to a previous cable fad from the credit-fueled glory days of the mid-aughts. Back then, show after home-remodeling show extolled the thrill of buying new—new houses, new kitchens, new furnishings—driven and financed by housing prices that were going to go up forever, until they didn't.

Now cable home shows are adapting too: this fall and into next year, several series about buying foreclosures will debut. It's as if cable TV had entered the post-apocalypse, half its denizens scrounging the ruins of a once rich civilization, the

other half carting off their goods for appraisal, like so many loads in open trucks.

Yet these shows wouldn't be successful if they were depressing. They're just the opposite, in fact. They're almost aggressively light and upbeat. The pawnshop customers who make the cut are excited and curious, not seedy and desperate; the auction hunters and junkyard owners are bluff and good-humored; and most of the shows are cast, in the style of cable shows like *Cake Boss*, with colorful characters who provide salty behind-the-scenes banter and interpersonal drama. It's a little like *Deadliest Catch* without the storms and arctic cold.

More important, these shows take situations with a tinge of pathos—estate sales, foreclosures—and turn them into a grand adventure. They tell us that there are great things in our past and that greater surprises are possible just around the corner—all you need is a little elbow grease, assertiveness and imagination. Says designer Tanya McQueen on *Picker Sisters*: "There's not one driveway that I don't look at and think, I bet there's something there."

At least someone is making money right now. As for the rest of us, the trash-to-treasure genre says that everything we need, we already have somewhere. If only we knew where to look.

### PAWN STARS

The crew of the Gold & Silver Pawn Shop in Las Vegas trade wisecracks while haggling over consignments and researching their histories

### STORAGE WARS

Four battling teams of professional auction scouts bid on the contents of abandoned storage lockers, with just a quick glimpse to base their bets on



# 10 Questions



Fonda's first workout video appeared in 1982 and has sold 17 million copies

## Writer, actress and controversy magnet **Jane Fonda** on alpha men, forgiveness and mellowing with age

**In your new book, *Prime Time*, about the joy of being old, you have a cute exchange with your daughter about making a movie of your life.**

Cute? It was very painful. She said, "Why don't you just get a chameleon and let it crawl across the screen?" That was the rap on me—that I was only what the men in my life wanted me to be. Through most of my life, I have been defined by my parents and my husbands. But finally, having done what I call in my book a life review, I understand who I am. I'm a late bloomer to that, but since we live so much longer, it's a wonderful thing.

**One theme of your life is gutsiness, which I guess is why you devoted almost 50 pages of this book to sex advice.**

I have never found a book that talks about everything from the psyche and spirit and wisdom to penile implants. So I decided that I'd write about as much of the research as I possibly could—everything I wanted to know as a woman who is 73 years old and still sexually active. I see people who aren't traditionally beautiful, but if they're having good sex, you can tell.

**Do you go up and ask?**  
Sometimes, actually.

**Recently you had an appearance on the QVC home-shopping network canceled because of that photo of you in**

**North Vietnam. Why is that one so hard for people to let go?**

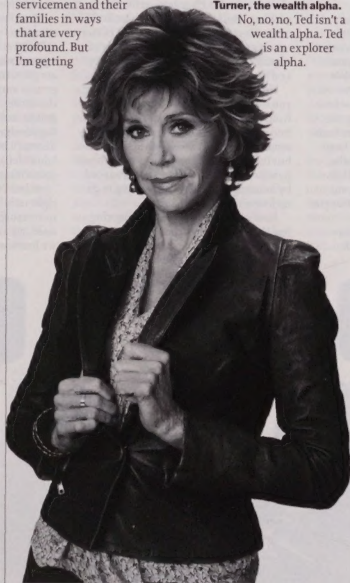
That picture was a terrible mistake, and I'm prepared to apologize for it until I go to my grave, because it hurt servicemen and their families in ways that are very profound. But I'm getting

comments on my blog from veterans saying, "I've hated you for years, and now I am able to forgive you and ask for forgiveness," and I cannot tell you what that means to me.

**You have married three very alpha men, as you put it: Roger Vadim, the creative alpha; Tom Hayden, the political alpha; and Ted**

**Turner, the wealth alpha.**

No, no, no, Ted isn't a wealth alpha. Ted is an explorer alpha.



**O.K. Which is the bigger aphrodisiac?**

Ah. Well. [Laughs.] I would say someone who was an explorer like I am but in a different direction. I've never been turned on to a man who couldn't teach me new things. They all taught me new things, but Ted taught me so much.

**Do you find you're mellowing with age?**

Yes, and it's wonderful. The natural slowing down that comes with age is really important. One of the reasons Ted and I split up is that Ted does not slow down. Ted lives horizontally, moving across his land and then across the world horizontally—chased, I believe, by demons. I wanted to live vertically, and I told him so, and he wasn't able to change.

**Where do you fall on the spectrum of faith?**

I'm a Christian. I study the teachings of Jesus, which are that we have to overcome differences, we have to forgive. I was particularly drawn to black churches when I lived in Atlanta, but I do not now go to church.

**Do you still have that strappy leotard?**

I do! I just found it, way in the back of a storage room. I'm so happy.

**What would the older you say to the younger you?**

This too shall pass. It's much more important to be interested than to be interesting.

—BELINDA LUSCOMBE



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